

Pursuant to Article 44 paragraph 2 item 3 of the Central Bank of Montenegro Law (OGM 40/10, 6/13, 70/17, 125/23), Article 43 paragraph (6), Article 52 paragraph (3), and Article 59 paragraph (5) of the Law on Credit Institutions (OGM 72/19, 8/21, 24/25), the Council of the Central Bank of Montenegro, at its meeting held on 25 July 2025, passed the following

**DECISION
ON MORE DETAILED REQUIREMENTS FOR SELECTION AND APPOINTMENT OF
MEMBERS OF THE MANAGEMENT BODIES AND HOLDERS OF KEY FUNCTIONS IN A
CREDIT INSTITUTION**

I BASIC PROVISIONS

Subject matter

Article 1

This Decision shall govern more detailed requirements for the selection and appointment of members of the management bodies and holders of key functions in a credit institution (hereinafter: the suitability criteria), the dynamics of assessing the fulfilment of suitability criteria, the criteria for determining the independence of the members of the supervisory board of a credit institution, the content of policies and procedures for the selection and the assessment of compliance with the suitability criteria, authorisation granting procedure and the documentation to be enclosed with applications for granting the authorisation for performing the function of the members of the management bodies of a credit institution, as well as the criteria for determining the significance of credit institutions.

Definitions

Article 2

(1) The terms used in this Decision shall have the following meaning:

- 1) **significant business relationship** means a business relationship which meets at least one of the following criteria:
 - the total liabilities of the chairperson or a member of the supervisory board of a credit institution (hereinafter: the supervisory board) or management board of a credit institution (hereinafter: the management board), including the persons acting in concert with them, to a credit institution exceed their total claims against and holdings in that credit institution by an amount higher than 2% of the credit institution's Tier 1 capital but are not lower than EUR 300,000;
 - a credit institution or a person acting in concert with it has a holding in the Tier 1 capital instruments exceeding 20% of the Tier 1 capital of a business

- undertaking controlled by the chairperson or a member of the supervisory board or the management board;
- a business undertaking acting in concert with the chairperson or a member of the supervisory board or management board derives most of its income from the provision of services to that credit institution;
- 2) **non-executive directorship** means:
- in a business undertaking having a one-tier governance arrangement, the function of a member of the board of directors who does not hold the executive function in the undertaking,
 - the function of a member of the supervisory board in a business undertaking having a two-tier governance system;
- 3) **executive directorship** means:
- the function of an executive director in a business undertaking having a one-tier governance system,
 - the function of a member of the management board in a business undertaking having a two-tier governance system;
- 4) **accounting consolidation** means the consolidation carried out in accordance with the law governing accounting;
- 5) **prudential consolidation** means the application of the prudential rules set out in the Law on Credit Institutions (hereinafter: the Law), and regulations of the Central Bank of Montenegro (hereinafter: the Central Bank) governing the capital adequacy of credit institutions, large exposures, liquidity indicators, and leverage, on a consolidated basis, and it includes all subsidiary undertakings that are institutions or financial institutions, and may also include ancillary services undertakings;
- 6) **significant holding** means a participation in capital of another business undertaking of 20% or more, or possibility to effectively exercise significant influence over the management or business policy of that undertaking.
- 7) **significant credit institution** means any credit institution defined as other systemically important credit institution (O-SICI) in accordance with the Law, and any credit institution whose four-year asset average reported in audited financial statements at the end of four previous business years exceeds the amount of EUR 250,000,000 on an individual basis.

(2) The terms institution, other systemically important credit institution, financial institution, undertakings linked by management on a unified basis, acting in concert, group of credit institutions, parent undertaking, and subsidiary undertaking, and third country shall have meanings as specified in the Law.

II SUITABILITY CRITERIA

Good repute, conscientiousness and integrity of members of the supervisory board and management board

Article 3

(1) The requirement regarding good repute, conscientiousness and integrity referred to in Article 43 paragraph (1) items 1) and 2) or Article 52 paragraph (1) items 1) and 2) of the Law is not met by a person:

- 1) who has been convicted by a judgement with final force and effect for criminal offences against property, payment system operations and the economy, or a criminal offence relating to breaches of official duties;
- 2) who is being prosecuted for any criminal offense referred to in item 1) of this paragraph, or an offence that by a description corresponds to a criminal offence;
- 3) who has been imposed a measure by a competent regulatory authority due to non-compliance with the regulations governing banking, financial or insurance activities, as well as activities relating to securities, financial instruments or payment instruments, including laws related to the prevention of money laundering and terrorist financing, or corruption, market manipulation or trading on the basis of information that is not publicly available, and usury;
- 4) who manages or has, at the time of the offence, managed the undertaking which has been convicted by a judgement with final force and effect of the criminal offence, or who has been imposed measures or against whom proceedings and other actions referred to in items 1), 2) and 3) of this paragraph have been initiated, which may give rise to doubt as to the good repute, conscientiousness and integrity of that person;
- 5) who has shown non-transparent behaviour and lack of cooperation with the competent authorities, or whose authorisations to perform functions or other activities have been refused or revoked, or who has been removed from office, and/or whose employment contract has been terminated, or who has been forbidden from directing the business or representing legal person, or for whom it has been otherwise established that their behaviour has not been in line with the high standards of professional conduct;
- 6) whose business results or financial situation compromise their good repute, conscientiousness and integrity; or
- 7) for whom there are some other grounds for suspicion as to their good repute, conscientiousness and integrity.

(2) When assessing the fulfilment of the criteria with regard to good repute, conscientiousness and integrity the Central Bank shall assess whether there are reasonable grounds to suspect that money laundering or terrorist financing is being or has been committed or attempted, or there is increased risk thereof with regard to that credit institution.

(3) When determining the existence of the circumstances referred to in paragraph (1) item 5) of this Article, the available information indicating or related to the following shall be taken into consideration:

- 1) withdrawal of authorisation to perform managerial functions or to perform professional occupations or activities;

- 2) the reasons for each termination of the employment contract, removal from any key or similar function and prohibition to conduct business or to represent a legal entity;
- 3) any other information or evidence that suggests that the candidate's acts are not in line with high standards of professional conduct.

(4) When determining the existence of the circumstances referred to in paragraph (1) items 6) and 7) of this Article, the following shall be taken into consideration:

- 1) whether the property and income of the candidate threaten their ability to meet their financial obligations in the future;
- 2) whether the candidate is a debtor according to data from the credit registry or any other available registry;
- 3) the financial and business results of the entity owned by the candidate for a member of the supervisory board or management board, or managed by the candidate, or in which the candidate has had or has significant holdings or has contributed in any way, through their activities in that entity, to the opening of bankruptcy or winding-up proceedings against that entity;
- 4) whether the bankruptcy proceedings have been carried out or ongoing over the candidate's property;
- 5) the influence of any civil, criminal, administrative or other proceedings to which the candidate is a party, as well as the influence of any large investments, exposures or debts of the candidate and any contracted loans on the financial situation of that candidate or entities owned by that candidate, or managed by the candidate, or in which the candidate has a significant holding, and whether measures have been imposed on the candidate by competent authorities or professional associations, which threaten their ability to meet their financial obligations in the future;
- 6) all other evidence, facts or serious allegations based on relevant, credible and reliable information that indicate that the candidate is acting in a way that is not in accordance with high standards of conduct.

Professional knowledge and skills of the members of the supervisory board and management board

Article 4

(1) A candidate for a member of the supervisory board or management board shall be deemed to have met the requirement referred to in Article 43 paragraph (1) item 3), or Article 52 paragraph (1) item 3) of the Law, if:

- 1) they have a higher education qualification of at least 240 CSPK or a foreign graduate degree that is equivalent to the degree of the said higher education qualification in Montenegro in the field of economics and other related fields (e.g., banking and finances, management, accounting, auditing), law and other related fields (e.g., administration and public policies, financial regulations), or the fields of mathematics, physics, informatics, electrical engineering and other related fields;

- 2) has experience in key management positions in the authority responsible for the supervision of credit or financial institutions;
- 3) has experience in performing scientific research; or
- 4) has experience in state administration bodies or other public law bodies in key management positions with a high degree of independence.

(2) When assessing the expert knowledge of a member of the supervisory board or management board, in addition to the fulfilment of the criteria referred to in paragraph (1) of this Article, the continuous professional development of the candidate in the last five years shall also be assessed in the following areas:

- 1) banking and financial markets;
- 2) accounting and auditing;
- 3) regulatory framework and requirements;
- 4) strategic planning, the understanding of the business strategy, business plan and execution thereof;
- 5) risk management, including climate and environmental risks;
- 6) prevention of money laundering and terrorist financing;
- 7) corporate governance and internal controls system;
- 8) the analyses of a credit institution's financial information.

Appropriate experience of members of the supervisory board and management board

Article 5

(1) It is considered that a candidate for a member of the supervisory board, within the meaning of Article 43 paragraph (1) item 3) of the Law, meets the criterion regarding the appropriate experience required to fulfil the obligations from the scope of work of the supervisory board, if they have experience:

- 1) as a member of the management body, or in positions immediately below or at most two levels below the level of the management body or equivalent levels in business undertakings that have management board, on the basis of which the candidate for a member of the supervisory board could acquire broad practical or theoretical knowledge in the field of banking and financial services;
- 2) in key management positions in the body responsible for control, or supervision of credit institutions and financial institutions;
- 3) acquired through academic work; and
- 4) acquired by working in state administration bodies or public law bodies in key management positions with a high degree of independence.

(2) When assessing the experience referred to in paragraph (1) of this Article, the following shall be analysed in particular:

- 1) functions that the candidate for the member of the supervisory board previously held, including the assigned responsibilities, the size of the business undertaking in which they performed their duties,

- 2) the activity of the business undertaking and its predominant activities, or whether the candidate for the member of the supervisory board has enough experience for critical review of decisions and effective supervision of the management board of the credit institution;
- 3) whether the candidate for a member of the supervisory board performs other duties prescribed for the member of the supervisory board.

(3) The experience referred to in paragraph (1) of this Article shall be considered to be at least five years of continuous performing functions in those positions, or experience in a period of less than five years, if it is possible to explain the reasons in detail and prove that the candidate for a member of the supervisory board possesses other appropriate qualities related to the experience in the form of specialist knowledge and acquired experience that is required in the credit institution where the candidate for a member of the management board is appointed, a very successful professional career or a specifically required experience that will correspond to the specific role and responsibilities that the candidate for a member of the supervisory board will perform in the credit institution.

(4) A candidate for a member of the management board shall be deemed to have met the requirement regarding the relevant experience required for managing the affairs of a credit institution, within the meaning of Article 52 paragraph (1) item 3) of the Law, if they possess the experience:

- 1) as a member of the management body, or in positions immediately below management body level in a credit institution, financial institution, insurance undertaking or a large corporate as defined in the law governing accounting; or
- 2) in key managerial positions within an authority competent for the supervision of credit institutions and financial institutions.

(5) When assessing the experience referred to in paragraph (4) of this Article, particular analysis shall be performed of experience in performing the activities relating to:

- 1) banking and financial markets;
- 2) regulatory framework and requirements;
- 3) strategic planning and understanding of business strategy, business plan and the execution thereof;
- 4) risk management, including climate and environmental risks;
- 5) accounting and auditing;
- 6) prevention of money laundering and terrorist financing;
- 7) the assessment of the efficiency of a credit institution's mechanisms, governance, supervision and control arrangements; and
- 8) the analysis of a credit institution's financial information, identification of key issues based on this information and appropriate controls and measures.

(6) The experience referred to in paragraph (4) of this Article shall be considered to be at least five years of continuous experience in the same undertaking or the same group over the past ten years, or experience shorter than five years if it is possible to explain the reasons in detail and provide evidence that the candidate possesses other appropriate

qualities related to the experience in the form of specialist knowledge and acquired experience that is required in the credit institution where the candidate for a member of the management board is appointed, a very successful professional career or a specifically required experience that will correspond to the specific role and responsibilities that the candidate for a member of the management board will perform in the credit institution.

(7) In addition to the requirements referred to in paragraphs (4) to (6) of this Article, the previous experience required for managing a credit institution of a candidate for a member of the management board shall also be assessed with respect to the practical and professional experience acquired in previous positions, which is related to:

- 1) the type of managerial function and its position in the hierarchy;
- 2) the duration of the employment;
- 3) the nature and complexity of operations carried out by the candidate, including the organisational structure within which the operations were carried out at the time the candidate worked in that position;
- 4) the scope of competences, decision-making powers and responsibilities of the candidate;
- 5) the professional knowledge the candidate has acquired in that position;
- 6) the number of subordinates of the candidate.
- 7) the type of activity of the undertaking in which the candidate gained experience.

(8) The experience acquired in a credit institution within the meaning of this Article, shall be the experience gained in a credit institution having its head office in Montenegro and in a third country.

Independence of mind of the members of the supervisory board and management board

Article 6

(1) A candidate for a member of the supervisory board or management board shall be deemed to have met the requirement regarding the ability to express their independence of mind within the meaning of Article 43 paragraph (1) item 2) and Article 52 paragraph (1) item 2) of the Law, if:

- 1) that person possesses the following characteristics:
 - the courage, ability to effectively assess and challenge the decisions proposed by other members of the supervisory board or management board;
 - the ability to resist “group think” within the management or supervisory board or management board of a credit institution;
- 2) in connection to that person, there is no conflict of interest that cannot be managed in a manner that ensures the independence of mind.

(2) When assessing the conditions referred to in paragraph (1) item 1) of this Article, the candidate’s past and current business behaviour shall be taken into account.

(3) Being a member of the supervisory board or management board, or shareholder in undertakings affiliated with the credit institution, shall not by itself constitute an impediment for the performance of the function of a member of the supervisory board or the management board, if such connection does not affect the candidate's ability to act independently and in the best interest of the credit institution.

(4) A conflict of interest that cannot be managed by a credit institution, within the meaning of paragraph (1) item 2) of this Article, shall be deemed to exist where:

- 1) a candidate for a member of the supervisory board or management board, or a person acting in concert with the candidate, has a significant business relationship with that credit institution;
- 2) a candidate for a member of the supervisory board or management board is also a member of the supervisory board or management board of another credit institution, financial institution, mixed financial holding company or financial holding company providing services in the territory of Montenegro.

(5) By way of derogation from paragraph (4) item 2) of this Article, no conflict of interest that cannot be managed by a credit institution shall be deemed to exist if a candidate for a member of the supervisory board or management board is also a member of the supervisory board or management board of:

- 1) its subsidiary undertakings which are credit or financial institutions; or
- 2) credit or financial institutions belonging to the same group of credit institutions as the credit institution proposing the candidate for a member of the supervisory board or management board.

(6) When assessing the existence of a conflict of interest, at least the following shall be considered:

- 1) economic interests, e.g., shares, other ownership rights and memberships, holdings and other economic interests in undertakings or entities that are clients or suppliers of the credit institution, intellectual property rights, credits or loans granted by the credit institution to a member or persons connected with a member, as well as financial obligations towards holders of qualifying holding in the credit institution;
- 2) personal or professional relationships with the acquirers of qualifying holdings in that credit institution or its parent or subsidiary undertaking;
- 3) personal or professional relationships with employees, including the members of the supervisory board and management board of the credit institution or entities included within the scope of accounting or prudential consolidation;
- 4) previous employments in the past five years;
- 5) personal or professional relationships with relevant suppliers, consultancies and other similar service providers of the credit institution, its parent or subsidiary institution;
- 6) ownership of shares or holdings in an undertaking or entity with conflicting interests in relation to the credit institution; and
- 7) political influence or relationships with politically exposed persons.

- 8) the existence of a certain period during which the candidate, due to a potential conflict of interest, may not take over or start performing the duties to which they are appointed (the cooling-off period);
- 9) whether the candidate is directly or indirectly involved in court proceedings or out-of-court settlement, including conciliation, arbitration or the like, against the credit institution, its parent or subsidiary institution or the holder of a qualifying holding.

(7) A credit institution shall require from a member of the supervisory board and management board to provide updated information on all known facts referred to in paragraphs (4) and (6) of this Article during the term of office as well.

(8) A credit institution shall document, monitor and manage any identified, potential or expected conflict of interest, as well as to determine the significance of the risk that arises or may arise in connection with it, and, as appropriate, take measures to reduce or eliminate the conflict of interest in order to ensure the independence of mind of the members of management bodies and impartial performance of their duties.

(9) A member of the supervisory board and management board of a credit institution shall exclude themselves from participating in the discussion, decision-making or voting on all issues in connection with which the existence of a conflict of interest has been identified

Sufficient time commitment

Article 7

(1) When assessing whether the candidate for a member of the supervisory board or management board can commit sufficient time to perform their functions within the meaning of Article 43, paragraph (1) item 4) and Article 52 paragraph (1) item 4) of the Law, the following shall be considered in particular:

- 1) the number of executive and non-executive directorships or deputy functions in financial and non-financial undertakings held by a member at the same time, as well as the expected total number of days that must be devoted to the performance of those positions annually;
- 2) the nature, size, scope and complexity of operations of the entity in which the member holds an executive or non-executive directorship or deputy function;
- 3) geographical location of the entity in which the candidate performs the function and the travel time required to perform that function;
- 4) average number of meetings held during a calendar year by the supervisory board or management board in which the member performs the function, and the time required to prepare for participation in those meetings;
- 5) the meetings of the supervisory board or management board held as needed with the competent authorities and stakeholders;
- 6) the position, responsibilities and fields of competence of the member;
- 7) other functions or professional or political activities that the member performs within and outside of the financial sector, as well as the expected total number of days that they must devote to their performance annually;

- 8) the number of the member's functions in organisations or entities not established for the sole purpose of generating profit;
- 9) the time that needs to be devoted to introductory and continuing education.

(2) The following shall in particular be considered organisations and entities referred to in paragraph (1) item 8) of this Article:

- 1) charitable organisations;
- 2) other non-profit organisations;
- 3) undertakings set up for the sole purpose of managing private property of the member of the supervisory board or management board or persons connected with them, provided that such undertakings do not require day-to-day management by the member, and
- 4) other similar organisations and entities.

Restriction to the number of functions

Article 8

(1) Within the meaning of Article 7 paragraph (1) item 1) of this Decision, when determining the number of directorship functions that a member of the supervisory board or management board may perform simultaneously, specific circumstances and nature, scope and complexity of the credit institution's operations must be taken into account.

(2) A member of the management board of a significant credit institution referred to in Article 17 paragraph (3) of this Decision shall not, in addition to that position, hold more than two non-executive directorships.

(3) A member of the supervisory board of a significant credit institution referred to in Article 17 paragraph (3) of this Decision shall not, in addition to that position, hold:

- 1) more than one executive and one non-executive directorships; or
- 2) more than three non-executive directorships.

(4) When determining the number of directorship functions referred to in paragraphs (2) and (3) of this Article, the function of an executive or non-executive director shall be considered to be one function if performed in:

- 1) undertakings within the same group;
- 2) undertakings in which the credit institution holds a qualifying holding.

(5) The functions within the organisations and entities referred to in Article 7 paragraph (2) of this Decision which are not established for the sole purpose of generating profit shall not be considered for the purposes of paragraph (4) of this Article.

(6) Restrictions referred to in paragraphs (2) and (3) of this Article shall not apply to persons representing Montenegro in the supervisory board of a credit institution.

Performing the function of the chairperson of the management board

Article 9

Provisions of this Decision that apply to a member of the management board shall also apply to the chairperson of the management board.

Collective suitability criteria for the supervisory board and management board

Article 10

In addition to the suitability criteria referred to in Articles 3 to 8 of this Decision, members of the supervisory board or management board shall collectively have the knowledge, skills and experience in accordance with Article 42 paragraphs (2) and (3) of the Law (hereinafter: the collective suitability), at least on the following:

- 1) the services provided by the credit institution and risks related to them;
- 2) financial and capital markets, solvency, and internal models;
- 3) governance arrangements of the credit institution;
- 4) accounting and reporting;
- 5) control function responsibilities;
- 6) information technology and security;
- 7) local, regional, and global markets, where applicable;
- 8) the legal and regulatory framework;
- 9) management capabilities and experience;
- 10) the prevention of money laundering and terrorist financing of and the risks that they can have on the operations of credit institutions;
- 11) climate and other environmental risks;
- 12) strategic planning;
- 13) the management within a group of credit institutions or other appropriate group, as well as the management of risks within such groups, where applicable.

Criteria for determining the independence of the members of the supervisory board

Article 11

A member of the supervisory board shall be considered to be independent if:

- 1) they are not the controlling shareholder of the credit institution and do not represent the interests of the controlling shareholder of the credit institution, including when the owner is the state or another public law body;
- 2) they were not a member of the management board in a credit institution or an undertaking within the scope of prudential consolidation in the previous five years;
- 3) they do not have a significant business relationship with a credit institution;
- 4) they are not an employee of the credit institution's controlling shareholder or are not otherwise associated with the controlling shareholder;
- 5) they are not employed in an undertaking within the scope of prudential consolidation, unless the following conditions are met:
 - the member is not in positions that are directly accountable to the management bodies,

- the member was selected for a supervisory function in the context of the employee representation system, and legal protection against unjustified dismissal and other forms of unfair treatment is envisaged;
- 6) they have not been, in the previous three years, a member of the senior management of a credit institution or another undertaking within the scope of prudential or accounting consolidation and have not been directly accountable to the management board;
 - 7) they have not been, in the previous three years, a member or a partner of an undertaking which has provided audit or consultancy services to the credit institution or another undertaking within the scope of prudential consolidation, or if they have not been an employee of an undertaking that generates or has generated most of its profit by providing services to that credit institution;
 - 8) they have not in the previous 12 months:
 - been a material supplier or material customer of the credit institution or another undertaking within the scope of prudential or accounting consolidation;
 - had another material business relationship, is a senior official or was otherwise directly or indirectly associated with a significant supplier, client or business entity that has a material business relationship;
 - 9) they do not receive or have not received, in addition to the remuneration for performing the function of a member of the supervisory board, from a credit institution or an undertaking within the scope of prudential or accounting consolidation, significant remunerations or do not make or have not made significant income;
 - 10) they have not served as member of the supervisory board or management board of the credit institution for 12 consecutive years or longer;
 - 11) they are not a member of the immediate family of a member of the management board of a credit institution or another undertaking within the scope of prudential consolidation, nor are they associated to that undertaking by the relationship referred to in items 1) to 7) of this Article.

Holders of key functions in a credit institution

Article 12

(1) A credit institution shall appoint as a holder of a key function a person for which it has determined, in accordance with a policy for selecting and assessing the suitability criteria, that they meet the suitability criteria.

(2) The suitability criteria referred to in paragraph (1) of this Article shall be the following:

- 1) good repute, conscientiousness and integrity of members,
- 2) possession of relevant professional knowledge, skills and experience to meet the obligations required to perform the activities of a key function,
- 3) absence of any conflict of interest in relation to the credit institution, shareholders, members of the supervisory board and management board, and senior

management of the credit institution, which may influence the independence of mind of that person,

- 4) ability to commit sufficient time to perform the activities within the competence of a key function holder; and
- 5) other prescribed requirements for the performance of key functions.

(3) When assessing relevant professional knowledge, skills and experience of key function holders, the credit institution shall take into consideration the type of key function and area of responsibility of the key function holder.

(4) Provisions of Articles 3 to 7 of this Decision shall apply *mutatis mutandis* to the assessment of the fulfilment of the requirements referred to in paragraph (2) of this Article.

III DOCUMENTATION TO BE ENCLOSED WITH THE APPLICATION FOR GRANTING AUTHORISATION

Application for granting authorisation for performing the function of a member of the supervisory board or management board

Article 13

(1) The application for granting the authorisation for performing the function of a member of the supervisory board or the management board shall include:

- 1) data on the applicant credit institution:
 - name of the credit institution;
 - tax identification number / registration number, legal entity identifier (LEI);
 - head office;
 - statement of grounds for the decision on candidate selection;
 - name and surname of the contact person in the credit institution, with contact information of that person;
- 2) data on the person for whom the application is submitted:
 - name, surname, and gender;
 - date and place of birth;
 - habitual/temporary residence;
 - citizenship;
 - unique master citizen number;
 - ID card or passport number, country of issue of that document,
 - contact information;
- 3) data on the position for which the candidate is being proposed, planned beginning and duration of the term of office, detailed description of the tasks and responsibilities of the candidate and business areas for which they will be responsible, and, where the candidate is replacing an existing member of the supervisory board or management board, the name and surname of the person the candidate will replace;
- 4) statement of grounds for the proposal of the decision or the decision with suspensory effect on the selection, or the proposal of the decision on the appointment of the candidate.

(2) The application referred to in paragraph (1) of this Article shall be submitted in the Template set out in Annex 1, which is attached to this Decision and forms an integral part thereof.

(3) Along with the application for granting the authorisation for performing the function of a member of the supervisory board or the management board in the Template of the questionnaire provided in Annex 2 which is attached to this Decision and forms an integral part thereof, the following shall be submitted:

- 1) information on the candidate's educational background (educational level, including a chronological list of all educational levels completed, completion years, duration, and the academic titles received);
- 2) information on the candidate's professional training, including a chronological list of all professional training courses attended, course topics, organisers and duration and the years of taking professional training examinations, obtaining certificates, diplomas, licences, etc.;
- 3) for a candidate who is a foreign national, information about the level of knowledge of the language that is in official use in Montenegro;
- 4) information on the candidate's work experience, including a chronological list of all employers and job positions held or functions performed specifying the periods during which they performed individual functions;
- 5) data on the jobs that the candidate has performed in the last ten years, namely: data on the type of function, or the job position with a job description in accordance with the act on internal organisation, as well as the organizational chart of the employers where they performed that function, or the specified jobs, the professional knowledge acquired in that position, a description of the responsibilities, that is, the powers, as well as the number of candidate's subordinates;
- 6) at an initial appointment or selection, a reference given by the immediate superior with the employer with which the candidate worked in the past three years, if available and, in the case that such reference is unavailable, the reasons for unavailability (for a candidate that has performed a function of a member of the management board the reference shall be provided by a member of the supervisory board of that employer);
- 7) information on whether any proceedings have been initiated against the candidate, or whether the candidate has been convicted by a judgement with final force and effect of one or more criminal offences referred to in Article 3 paragraph (1) items 1) and 2) of this Decision;
- 8) information on whether the candidate has been imposed a security or safeguard measure, or whether any proceedings have been initiated against the candidate for violation of any of the regulations governing banking, financial or insurance activities, or capital markets, payment system operations, or the provision of financial services or any other relevant regulations, which may give rise to doubt as to the good repute, conscientiousness and integrity of the candidate, or which may adversely affect the financial situation of the candidate;

- 9) information on whether the candidate or the undertaking they have managed has become a debtor in bankruptcy or similar proceedings;
- 10) information on whether the candidate is a party to any civil or administrative proceedings which might adversely affect their financial situation;
- 11) information on the candidate's financial situation, including the information on whether the candidate's property and income enable them to meet their financial obligations in the future, whether the candidate is included in any relevant list of debtors, and whether enforcement or bankruptcy proceedings have been initiated over the candidate's property;
- 12) information on the financial and business results of undertakings in which the candidate is or has been a controlling shareholder or holder of interest, or in which the candidate has significant holdings, or in which they have performed the function of a member of the management board or other managerial function, including the information on whether any of these undertakings has been under temporary administration, in resolution, bankruptcy or winding-up proceedings or the undertaking's authorisation or license has been withdrawn;
- 13) a description of all financial (e.g., credits, loans, shares, participating interests, etc.) and non-financial interests or professional, business or personal relationships of the candidate and the persons acting in concert with the candidate with the credit institution (including the parent undertaking and any subsidiary undertakings of that credit institution) and its members of the supervisory board and management board and key function holders, as well as the following information on:
 - any conflict of interest of these persons in relation to the credit institution (including the parent undertaking and any subsidiary undertakings of that credit institution);
 - whether the candidate for the function of the member of the supervisory board of the credit institution was proposed by a shareholder with a significant holding in the credit institution;
 - all existing financial obligations towards the credit institution, its parent undertaking and any subsidiary undertakings and relationships with politically exposed persons;
- 14) information on whether the suitability criteria assessment of the candidate has been carried out by another competent authority (including the data on that authority and evidence of the result of such an assessment).

Documentation to be enclosed with the application

Article 14

- (1) The following shall be enclosed with the application for granting the authorisation for performing the function of a member of the supervisory board or the management board:
 - 1) the proposal of the decision, or decision with suspensory effect, on the selection of a candidate for a member of the supervisory board, and/or the proposal of these decisions by a specific shareholder, if the Articles of Association provide that an individual shareholder appoints a certain number of members of the supervisory board;

- 2) the proposal of the decision on the appointment of a candidate for a member of the management board;
- 3) the results of the suitability assessment carried out by the credit institution, including the statement of grounds and information on the persons that carried out the suitability assessment;
- 4) a certified copy of the ID card or another identification document;
- 5) a certified copy of the diploma of higher education qualification, or the translation of a foreign university diploma certified by a certified court interpreter for a member of the supervisory board, or proof of recognition of a foreign university diploma for a member of the management board;
- 6) for candidates who, at the time of application, do not perform the function of a member of the supervisory board or management board of a credit institution in Montenegro, a certificate issued by the employer in which the candidate has acquired the experience referred to in Articles 4 and 5 of this Decision, specifying the type of function and the description of the job position, the professional knowledge that the candidate acquired in that function, the nature and complexity of the activities performed by the candidate, including the organisational structure in which the activities were performed, the description of competences and the scope of powers, and, where available, the number of candidate's subordinates in accordance with the organisational structure;
- 7) the questionnaire set out in Annex 2 to this Decision;
- 8) where available, the references given by immediate superiors for the past three years;
- 9) a statement as to whether the candidate for a member of the supervisory board or the management board has been convicted by a judgement with final force and effect or whether any criminal proceedings referred to in Article 3 paragraph (1) items 1) and 2) of this Decision have been initiated against them, as well as whether the candidate has been convicted by a judgement with final force and effect of any misdemeanour, and whether any misdemeanour proceedings have been initiated against the candidate for a member of the supervisory board or a management board;
- 10) a statement on misdemeanour or criminal convictions, whether criminal, misdemeanour or other proceedings are being conducted against the candidate, as well as whether the candidate has been convicted by a judgement with final force and effect of a criminal offense; (the statement shall include data related to all jurisdictions where the candidate has lived for the last five years);
- 11) if a conflict of interest which can be managed has been established to exist, the measures planned or taken for mitigating or eliminating such conflict of interest;
- 12) the work programme referred to in Article 15 of this Decision; and
- 13) training and education plan in accordance with the policy referred in Article 16 paragraph (2) of this Decision.

(2) The documents referred to in paragraph (1) items 5), 6) and 8) of this Article shall be enclosed only in the case of initial appointment of a candidate for a member of the supervisory board or the management board.

(3) In addition to the documents referred to in paragraph (1) of this Article, the credit institution may enclose with the application other documents testifying to the candidate's fulfilment of suitability criteria.

(4) The statement referred to in paragraph (1) item 9) of this Article shall be submitted in a form set out in Annex 3, which is attached to this Decision and forms an integral part thereof.

(5) The results of the suitability assessment referred to in paragraph (1) item 3) of this Article shall be submitted in a Template set out in Annex 4, which is attached to this Decision and forms an integral part thereof.

Work programme

Article 15

(1) The work programme of the management board with a projection of financial statements for the term of office for which a member of the board of directors is appointed, which shall be enclosed with the application for granting the authorisation for performing the function of a member of the management board in accordance with Article 53 paragraph (3) of the Law shall contain in particular the following:

- 1) a summary of the analysis of business operations specifying performance and efficiency indicators of the credit institution, including:
 - the risk profile of the credit institution including as a minimum an assessment of the exposure to credit risk, market risk, operational risk, interest rate risk in the non-trading book and an assessment of the exposure to liquidity risk in the credit institution in which the candidate is proposed for appointment as a member of the management board, and
 - a projection of the financial position of the credit institution consisting of at least the capital plan, balance sheet and profit and loss statement for the period of the term of office, which in terms of its content corresponds to the balance sheet and profit and loss statement submitted to the Central Bank in accordance with a separate regulation;
- 2) a description of the credit institution's business environment and its position in relation to peer credit institutions and the banking system as a whole, specifying the identified advantages and weaknesses in relation to peer groups of credit institutions;
- 3) a description of macroeconomic and other assumptions which were taken into account in drafting the work programme;
- 4) a detailed description of the activities planned for the period of the term of office and the planned implementation dynamics, indicating any major changes to the current condition;
- 5) planned activities and infrastructural adjustments associated with the information system, internal policies and procedures, the internal control system and other supports to the core activities of the credit institution;

- 6) depending on the activities planned, an explanation of the possible needs for organisational adjustments and a detailed breakdown of the new organisational chart indicating new key function holders in the credit institution; and
- 7) the allocation of competences among the members of the management board, including an explanation and changes in relation to the current condition and possible changes to the management board, and
- 8) in the case of reappointment of the same person, an analysis of the deviation of the actual situation in relation to the situation that was planned in the previous work programme, with an explanation of the deviation.

(2) When drafting the work programme referred to in paragraph (1) of this Article, the credit institution's business strategy and financial plan shall be taken into consideration in order to elaborate in detail the specific elements of the work programme which are relevant for the implementation and effects of the activities planned within the scope of future work and responsibilities of the candidate for a member of the management board.

IV POLICIES ON SELECTION AND SUITABILITY ASSESSMENT AND ASSESSMENT DYNAMICS

Policies on selection and suitability assessment

Article 16

(1) When adopting policies on selection and suitability assessment, the credit institution shall take the following into consideration:

- 1) nature, scope and complexity of the credit institution's operations;
- 2) the credit institution's risk profile; and
- 3) the credit institution's business strategy.

(2) The policies referred to in paragraph (1) of this Article shall contain in particular:

- 1) the area of operations of the members of the supervisory board or the management board, and other persons responsible for management of operations within specific areas of operations of the credit institution, which shall be established by the management board;
- 2) adequate professional knowledge, skills and experience required to meet the obligations falling within their competence in accordance with the provisions of this Decision;
- 3) requirement for introductory and continuing education, in particular
 - the objectives of education, especially for the supervisory board and management board, at the level of those bodies, and at the level of individual members;
 - professional services responsible for the development of introductory and continuing education programmes;
 - human and financial resources needed for their implementation; and

- the procedure regulating the right of each member of the supervisory board or management board to request education;
- 4) time required to meet the obligations from the area of operations of a member of the supervisory board or management board, including a procedure to determine if the candidate can commit sufficient time to meet the obligations from their area of operations;
- 5) the situations, relationships and circumstances which represent or might represent a conflict of interest, the measures for eliminating conflicts of interest, or measures for managing and mitigating any potential conflict of interest;
- 6) the manner to ensure diversity referred to in Article 17 of this Decision; and
- 7) procedures for dealing with sudden absence or termination of the function of a member of the supervisory board or management board before the expiry of the term of office.

(3) Prior to adopting a proposal of the decision, or the decision with suspensory effect on the selection of the candidate for a member of the supervisory board, or a proposal of the decision on appointing a candidate for a member of the management board, and implementing activities in accordance with Article 19 of this Decision, a credit institution shall make a list of short-listed candidates, taking into account the manner of ensuring diversity referred to in Article 17 of this Decision.

(4) Notwithstanding paragraph (3) of this Article, the credit institution shall not be required to prepare a list of candidates if it is able to justify why this is not possible.

(5) The parent credit institution in a group of credit institutions in Montenegro shall adopt a policy referred to in paragraph (1) of this Article at the group level and ensure its implementation in all subsidiary undertakings in the scope of prudential consolidation.

(6) The credit institution shall provide introductory education referred to in paragraph (2) item 3) of this Article for a member of the supervisory board or management board who are appointed for the first time to a function in that credit institution, within six months of their appointment, with the aim of facilitating the understanding of the structure, business model, risk profile and governance arrangements of the credit institution, their role in the credit institution, as well as for the purpose of removing any deficiencies identified during the suitability assessment of the candidate.

Diversity in the composition of the supervisory board and management board

Article 17

(1) For the purpose of ensuring the diversity in the composition of the supervisory board or management board, the credit institution shall envisage a wide scope of professional knowledge, skills and experience of the members of the supervisory board or management board, in order to enable the representation of diverse positions and experiences, in the aim of achieving greater degree of independence of mind in decision-making and execution of tasks of the supervisory board or management board, thereby taking into consideration the education and professional experience, gender, age and

geographical origin of a member of the supervisory board or management board, where applicable.

(2) To ensure diversity, a significant credit institution shall quantify the targeted participation of the underrepresented gender in the supervisory board or management board and determine the strategy and timeframe for meeting that target.

(3) A significant credit institution shall evaluate the compliance with the target referred to in paragraph (2) of this Article during the regular suitability assessment of the supervisory board or management board, and to explain the reasons if that target is not met, as well as to envisage measures and an appropriate deadline for achieving that target.

Suitability assessment procedure

Article 18

In its policies referred to in Article 16 of this Decision, a credit institution shall define a procedure for the suitability assessment including in particular the following:

- 1) carrying out a suitability assessment of a member of the supervisory board or management board and a holder of a key function, as well as the expert service in the credit institution that is responsible for carrying out the assessment;
- 2) the time limits for the delivery of documentation, the time limits for and the method of carrying out the procedure, the manner of giving response by the assessed persons, and the manner of reporting on the results of the procedure;
- 3) the information and documentation to be submitted by the candidate or a member of the supervisory board or management board, and a key function holder to the credit institution for the assessment purposes;
- 4) the situations, events and circumstances necessitating an extraordinary suitability assessment, including a time limit no longer than eight days during which a member of the supervisory board or management board shall inform the credit institution of the changes relevant for their fulfilment of suitability criteria;
- 5) the form and method of keeping the documentation on a completed suitability assessment procedure.

Implementation of suitability assessment procedure

Article 19

(1) A credit institution shall, prior to submitting an application referred to in Article 13 of this Decision, carry out the suitability assessment procedure for each candidate for the member of the supervisory board or management board.

(2) A credit institution shall also carry out the suitability assessment procedure for each candidate for a key function holder in a credit institution before their appointment to that function.

(3) By way of derogation from paragraph (2) of this Article, where the circumstances of the appointment have not allowed a prior suitability assessment procedure to be carried

out, a credit institution may carry out the suitability assessment for a key function holder after their appointment, within 45 days of the day of the appointment.

(4) Where, during the procedure referred to in paragraph (3) of this Article, a credit institution establishes that a candidate for a key function holder does not meet the suitability criteria, that person may not continue to perform the function to which they have been appointed.

(5) A credit institution shall carry out the assessment of conflict of interest referred to in Article 6 paragraph (4) of this Decision in relation to the current members of the supervisory board or management board, and it shall document, monitor and duly manage each actual or potential conflict of interest and, where necessary, take measures to reduce and eliminate conflict of interest to ensure the independence of mind and independence in performing duties.

(6) Where in accordance with Article 6 paragraph (4) of this Decision, it establishes the existence of a conflict of interest that may influence the independence of mind of a member of the supervisory board or management board, a credit institution shall, without delay, notify the Central Bank thereof, including the measures it has taken to reduce such influence.

Assessment of collective suitability criteria

Article 20

(1) When assessing the fulfilment of suitability criteria set out in this Decision, a credit institution shall also perform an assessment of collective suitability of the supervisory board or management board in accordance with Article 10 of this Decision.

(2) A credit institution shall develop a methodology for collective suitability assessment of the supervisory board or management board in accordance with the provisions of this Decision.

(3) A credit institution shall carry out the collective suitability assessment referred to in paragraph (1) of this Article, specifically:

- 1) initial appointment of a member of the supervisory board or management board;
- 2) reappointment of a person referred to in item 1) of this paragraph;
- 3) a change in the competences of a person referred to in item 1) of this paragraph;
- 4) a significant change in the business model, risk appetite or risk strategy of the credit institution;
- 5) changes in the structure of the group to which the credit institution belongs;
- 6) reasonable grounds to suspect that money laundering or terrorist financing has been or is being committed or attempted or there is an increased risk thereof in particular in the case referred to in Article 21 paragraph (4) of this Decision; and
- 7) other events that can otherwise materially affect the collective suitability criteria of the supervisory board or management board.

(4) Collective suitability assessment referred to in paragraph (1) of this Article shall be carried out by comparing the current composition and collective knowledge, skills and experience required for the supervisory board or management with the collective suitability requirements referred to in Article 42 of the Law requirements set out in the policy referred to in Article 16 of this Decision.

(5) When carrying out the assessment referred to in paragraph (3) of this Article, a credit institution shall also take into consideration the results of the individual suitability assessments of the members of the supervisory board or management board.

(6) The decision on the fulfilment of collective suitability criteria of the supervisory board shall be made by the general shareholders assembly.

(7) The decision on the fulfilment of collective suitability criteria of the management board shall be made by the supervisory board.

(8) Provisions of Article 19 of this Decision shall apply *mutatis mutandis* to the decision-making processes referred to in paragraphs (6) and (7) of this Article.

Suitability assessment dynamics

Article 21

(1) A credit institution shall, at least once a year, carry out a regular suitability assessment of a member of the supervisory board or management board and a key function holder.

(2) When performing regular annual suitability assessment of the members of the supervisory board or management board, a credit institution shall also take fulfilment of collective suitability criteria into account.

(3) A credit institution shall carry out without delay an extraordinary suitability assessment of a member of the supervisory board or management board and a key function holder when the circumstances occur which give rise to doubt as to individual or collective suitability, and particularly in an event or situation with a material impact on the good repute, conscientiousness, integrity or any other criteria for suitability assessment, including the cases where a member of the supervisory board or management board or a key function holder is found to be in a conflict of interest that cannot be managed, and in the case of a change in this person's scope or structure of powers.

(4) A credit institution shall carry out extraordinary suitability assessment of a members of the supervisory board or management board and a key function holder without delay where there are reasonable grounds to suspect that money laundering or terrorist financing has been or is being committed or attempted or there is an increased risk exposure to the risk of money laundering or terrorist financing and in particular in situations where the credit institution:

- 1) has not implemented appropriate internal controls or systems to manage, monitor and mitigate the risk of money laundering or terrorist financing;
- 2) has been found to be in breach of obligations with regard to prevention of money laundering and terrorist financing in Montenegro, via a branch, or in a third country in which it operates via a branch; or
- 3) has materially changed its business activity or business model in a manner that suggests that its exposure to the risk of money laundering or terrorist financing has increased;

(5) Extraordinary suitability assessment shall only be carried out in relation to the impact of the change in circumstances referred to in paragraph (3) of this Article on the fulfilment of suitability criteria of a member of the supervisory board or management board or a key function holder.

(6) Following the procedure referred to in paragraph (1) of this Article, the credit institution shall, no later than 30 June of the current year for the previous year, submit to the Central Bank the updated questionnaire referred to in Article 14 paragraph (1) item 7) of this Decision for the members of the supervisory board or management board and attach reasoned results of the conducted regular assessment.

(7) Where any change occurs in the information referred to in paragraph (5) of this Article which gives rise to doubt as to whether a member of the supervisory board or management board meets the prescribed suitability criteria, a credit institution shall notify the Central Bank thereof no later than eight days after such a change is observed, and initiate the procedure of an extraordinary suitability assessment.

Procedure following the suitability assessment and credit institution's corrective measures

Article 22

(1) Where, in the procedure of regular or extraordinary suitability assessment, a credit institution establishes that a member of the supervisory board or the management board no longer meets the suitability criteria, it shall without delay notify the Central Bank and initiate the procedure for the selection of a new member.

(2) By way of derogation from paragraph (1) of this Article, where a credit institution concludes that the established shortcomings can be removed in the short term, the credit institution may take appropriate corrective measures to remove such shortcomings, unless the shortcomings are such that the person does not meet the criteria of good repute, conscientiousness and integrity which may not be remedied by corrective measures.

(3) In the case referred to in paragraph (2) of this Article, a credit institution shall, within eight working days from the date of completion of the assessment procedure, notify the Central Bank of the results of the assessment, its decision, and of corrective measures it has taken in order to remove identified shortcomings.

(4) Provision of paragraphs (1) and (2) of this Article shall also apply to key function holders, except in the part relating to notifying the Central Bank.

(5) Where a credit institution establishes shortcomings when assessing collective suitability of the supervisory board or management board, it shall take corrective measures to remove them in a timely manner and it shall notify the Central Bank thereof without delay.

(6) The corrective measures that a credit institution shall take in accordance with paragraphs (2) and (5) of this Article may include:

- 1) measures for mitigating or eliminating conflict of interest;
- 2) measures for professional training and additional education of members of the supervisory board or management board or key function holders; and
- 3) other measures to ensure individual and collective suitability of the supervisory board or management board.

(7) A credit institution shall adequately document all suitability assessment procedures carried out for the members of the supervisory board or management board and key function holders in a credit institution, including regular and extraordinary suitability assessment procedures.

(8) Members of the supervisory board or management board and key function holders shall notify the expert service referred to in Article 18 paragraph (1) item 1) of this Decision of any event or circumstance having a material impact on their suitability for performing the functions to which they have been appointed, or to notify it, at least once a year, that the data underlying the initial suitability assessment have not changed.

V TRANSITIONAL AND FINAL PROVISIONS

Authorisations

Article 23

The authorisations of the Central bank granted in accordance with the Decision on More Detailed Requirements for Selection and Appointment of Members of the Management Body and Holders of Core Functions in a Credit Institution (OGM 119/20) shall remain in force until the expiry of issuing date.

On-going procedures

Article 24

The procedures initiated until the commencement date of this Decision shall be finalised under the regulation under which they were initiated.

Repealed Regulations

Article 25

As of the commencement date of this Decision, the Decision on More Detailed Requirements for Selection and Appointment of Members of the Management Body and Holders of Core Functions in a Credit Institution (OGM 119/20) shall be repealed.

Entry into force

Article 26

This Decision shall enter into force on the eighth day following that of its publication in the "Official Gazette of Montenegro", and it shall apply from 1 January 2026.

THE COUNCIL OF THE CENTRAL BANK OF MONTENEGRO

Decision number: 0101-5891-15/2025
Podgorica, 25 July 2025

**CHAIRPERSON
G O V E R N O R,**

Irena Radović m.p.

ANNEX 1

**APPLICATION
FOR GRANTING THE AUTHORISATION FOR PERFORMING THE FUNCTION OF A
MEMBER OF THE SUPERVISORY BOARD / CHAIRPERSON OR A MEMBER OF
THE MANAGEMENT BOARD OF A CREDIT INSTITUTION**

1. Data on the applicant credit institution:

Credit institution: _____

Tax identification number/registration number/LEI: _____

Head office: _____

1a. Statement of grounds for the decision on candidate selection

1b. Name and surname of the contact person in the credit institution, with contact information of that person

2. Data on the person for whom the application is submitted:

Name and surname: _____

Gender: _____

Date and place of birth: _____

habitual/temporary residence: _____

Citizenship: _____

Unique master citizen number/ID document number: _____

Contact information: _____

3. The application is submitted for the purpose of granting the authorisation for performing the function of:

member of the supervisory board

- chairperson of the management board
- member of the management board

3a. Planned commencement and duration of the term of office:

3b. Description of duties and responsibilities and the area of operations which will be under their competence:

3c. Where the candidate is replacing a member of the supervisory or management board, the name and surname of the person the candidate will replace

4. Statement of grounds for the proposal of the decision or the decision with suspensory effect on the selection, or the appointment of the candidate:

Person authorised for submitting the application:

ANNEX 2

QUESTIONNAIRE

**FOR THE CANDIDATE FOR A MEMBER OF THE SUPERVISORY
BOARD/CHAIRPERSON OR A MEMBER OF THE MANAGEMENT BOARD OF A
CREDIT INSTITUTION**

1.	CREDIT INSTITUTION	
2.	CANDIDATE IS PROPOSED FOR SELECTION/APPOINTMENT TO THE FUNCTION	
	Data on the position to which the candidate is appointed	
	Planned commencement and duration of the term of office	
	Description of duties and responsibilities and the area of operations which will be under their competence	
	Where the candidate is replacing a member of the supervisory/ management board, the name and surname of the person the candidate will replace	
3.	PERSONAL DATA ON THE PROPOSED CANDIDATE	
	Name and surname (maiden name, where applicable):	
	Name and surname of parents:	
	Date and place of birth:	
	Habitual/temporary residence	
	Citizenship:	
	Unique master citizen number:	
	Telephone number:	
	E- mail:	
4.	EDUCATIONAL QUALIFICATIONS	
	Educational level, including a chronological list of all educational levels completed, completion years, duration, and the academic titles received	

5.	PROFESSIONAL TRAINING	
	Chronological list of all professional training, including course topics, organisers and duration, the years of taking professional training examinations, obtained certificates, diplomas, licences, etc.	
6.	PROFICIENCY LEVEL OF THE LANGUAGE THAT IS IN OFFICIAL USE IN MONTENEGRO	
	(only for candidates which are foreign nationals)	
7.	WORK EXPERIENCE	
	Chronological list of all employers and positions held or functions performed specifying the periods during which individual functions were performed	
	<p>For activities performed by a candidate in the past ten years, the following shall be specified:</p> <ul style="list-style-type: none"> - the type of function or the job position with a description of activities in accordance with internal organisation act, - professional knowledge acquired in performing that function, - a description of activities performed in that job position or function, - the organisational structure of the employer with which that function and/or these activities were performed at the time of working in that position - the scope of competences, decision-making powers, and responsibility, - the number of this person's subordinates in accordance with the organisational structure 	
8.	REFERENCE	
	A reference given by the immediate superior with the employer with which the candidate worked in the past three years, if available and, in the case that such reference is unavailable, the reasons for unavailability (for a candidate that has performed a function of a member of the management board the reference shall be provided by a member of the supervisory board of that employer)	

9.	INFORMATION ON PROCEEDINGS AND CRIMINAL LIABILITY	
	Information on whether any proceedings have been initiated against the candidate, or whether the candidate has been convicted by a judgement with final force and effect of one or more criminal offences referred to in Article 3 paragraph (1) items 1) and 2) of this Decision;	
	Information on whether the candidate has been imposed a security or safeguard measure, or whether any proceedings have been initiated against the candidate for violation of any of the regulations governing banking, financial or insurance activities, capital markets, payment system operations, or the provision of financial services or other regulations, which may give rise to doubt as to the good repute, conscientiousness and integrity of the candidate, or which may adversely affect the financial situation of the candidate;	
10.	STATUS OF DEBTOR IN BANKRUPTCY OR SIMILAR PROCEEDINGS	
	Information on whether the candidate or the undertaking they have managed has been or has become a debtor in bankruptcy or similar proceedings;	
11.	PARTICIPATION IN A CIVIL/ADMINISTRATIVE PROCEEDINGS	
	Information on whether the candidate is a party to any civil or administrative proceedings which might adversely affect their financial situation	
12.	FINANCIAL SITUATION	
	Description of the candidate's financial situation, including the information on whether the candidate's property and income enable the candidate to meet their financial obligations in the future	
	Is the candidate included in any relevant records of debtors	
	Have foreclosure or bankruptcy proceedings been initiated over the candidate's property	
13.	FINANCIAL AND BUSINESS RESULTS	
	Information on the financial and business results of undertakings in which the candidate is or has been a majority shareholder or holder of	

	interest, or in which the candidate has significant holdings, or in which they perform the function of a member of the management board or another managerial function, including the information on whether any of these undertakings has been under temporary administration, in resolution, bankruptcy or winding-up proceedings or the undertaking's authorisation or license has been withdrawn;	
14.	DESCRIPTION OF FINANCIAL AND NON-FINANCIAL INTERESTS	
	A description of all financial (e.g., credits, loans, shares, participating interests, etc.) and non-financial interests or professional, business or personal relationships of the candidate and the persons acting in concert with the candidate with the credit institution (including the parent undertaking and any subsidiary undertakings of that credit institution) and its members of the supervisory board and management board and key function holders, as well as the following information on:	
	- any conflict of interest of any of these persons in relation to the credit institution (including the parent undertaking and any subsidiary undertakings of that credit institution);	
	- whether the candidate for the function of the member of the supervisory board of the credit institution was proposed by a significant shareholder;	
	- all existing financial obligations towards the credit institution, its parent undertaking and any subsidiary undertakings and relationships with politically exposed persons;	
15.	SUITABILITY ASSESSMENT BY ANOTHER COMPETENT AUTHORITY	
	Information on whether the suitability assessment of the candidate has been carried out by another competent authority. Specify the data on the competent authority	
	Results and evidence of the assessment	

DECLARATION

of accuracy and completeness of the submitted information

I hereby declare that all answers are accurate and complete within the limits of my knowledge and that I have not hidden any information that could influence the decision of the Central Bank of Montenegro.

I hereby undertake to notify the Central Bank of Montenegro of any changes that could significantly affect the granting of the approval for performing the function.

Place and date

Candidate's signature

ANNEX 3

**DECLARATION
OF THE CANDIDATE FOR A MEMBER OF THE SUPERVISORY
BOARD/CHAIRPERSON OR A MEMBER OF THE MANAGEMENT BOARD OF A
CREDIT INSTITUTION**

Name and surname of the candidate: _____

Date and place of birth: _____

Unique master citizen number/ID number: _____

Citizenship: _____

Habitual/temporary residence: _____

- | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|
| 1. Have you been convicted by a judgement with final force and effect of or have criminal offence proceedings been initiated against you for one or more criminal offences referred to in Article 3 paragraph (1) item 1) of this Decision? | YES/NO |
| 2. Have you been convicted by a judgement with final force and effect of any other criminal offence? | YES/NO |
| 3. Have you been convicted by a judgement with final force and effect of any specific misdemeanour? | YES/NO |
| 4. Has an investigation or a criminal proceeding been initiated against you? | YES/NO |
| 5. Has a misdemeanour proceeding been initiated against you? | YES/NO |
| 6. Have you been imposed a security or safeguard measure, or a misdemeanour sanction, or have any proceedings been initiated against you for violation of any of the regulations governing banking, financial or insurance activities, capital market operations, payment system operations, or the provision of financial services, or any other regulations? | YES/NO |
| 7. Have any other proceedings been initiated against you that might adversely affect your financial situation? | YES/NO |

If the answer to any of the above questions is affirmative, please elaborate:

Place and date

Candidate's signature

ANNEX 4

**RESULTS OF THE SUITABILITY ASSESSMENT OF THE MEMBER OF THE
SUPERVISORY BOARD/CHAIRPERSON OR A MEMBER OF THE MANAGEMENT
BOARD OF A CREDIT INSTITUTION**

Name and surname of the candidate: _____

Date and place of birth: _____

Unique master citizen number/ID number: _____

Citizenship: _____

Habitual/temporary residence: _____

	SUITABILITY CRITERIA:	DOCUMENTS OR INFORMATION PROVING THE FULFILMENT OF THE CRITERIA	STATEMENT OF GROUNDS OF THE ASSESSMENT OF FULFILMENT OF EACH PRESCRIBED CRITERIA
1.	Good repute, conscientiousness and integrity		
	No history of convictions for criminal offences referred to in Article 3 paragraph (1) items 1) and 2) of this Decision		
	Measures by the competent regulatory authority referred to in Article 3 paragraph (1) item 3) of this Decision		
	Information on managing the undertaking in accordance with Article 3 paragraph (1) item 4) of this Decision		
	Information on behaviour referred to in Article 3 paragraph (1) item 5) of this Decision		
	Business results and financial situation of the candidate in accordance with Article 3 paragraph (1) item 6) of this Decision		
	Other grounds for suspicion referred to in Article 3 paragraph (1) item 7) of this Decision		
2.	Professional knowledge and skills		

	Appropriate professional knowledge (adequate higher education qualification or a graduate degree that is equivalent to the degree of the said higher education qualification) in accordance with Article 4 paragraph (1) or (4) of this Decision		
	Professional training of the candidate, including a chronological list (specifying course topics, organisers and duration and the years of taking professional training examinations or obtaining certificates, diplomas, licences, etc.) in accordance with Article 4 paragraph (2) of this Decision		
3.	Appropriate experience		
	Appropriate experience in accordance with Article 5 of this Decision		
	Description of the function performing which the experience was gained including the requirements of Article 5 paragraphs (2), (3), (4), and (5) of this Decision		
4.	Independence of mind and conflict of interest		
	Possession of a set of characteristics comprising independence of mind (Article 6 paragraphs (1) and (2) of this Decision)		
	Absence of a conflict of interest that cannot be managed (Article 6 paragraph (3) of this Decision)		
	An analysis of the existence of conflict of interest in accordance with Article 6 paragraph (5) of this Decision and/or eliminating the conflict of interest where the existence of a conflict of interest that can be managed in accordance with Article 19 paragraph (5) of this Decision has been established		
5.	Sufficient time commitment		

	An analysis of the fulfilment of criteria referred to in Article 7 paragraph (1) of this Decision		
	The number, type and description of functions performed by the candidate simultaneously		
6.	Independence of the member of the supervisory board¹		
	An analysis of the fulfilment of criteria for determining the independence of the member of the supervisory board referred to in Article 11 of this Decision		
7.	Collective suitability		
	A credit institution's assessment of collective suitability of the supervisory/management board		
	A credit institution's assessment of the manner in which the selection of candidate ensures the collective suitability of the supervisory board or management board		
	Specifying and providing a description of the methodology used by the credit institution to assess collective suitability of the supervisory/management board.		

¹ Filled out for independent members of the supervisory board only.