



NATIONAL BANK OF THE REPUBLIC OF MACEDONIA

No. 15-16243/7

Skopje, 10 July 2018

Pursuant to article 57 paragraph 1 item 2 and paragraph 5 of the Banking Law ("Official Gazette of the Republic of Macedonia" no. 67/07, 90/09, 67/10, 26/13, 15/15, 153/15, and 190/16), and Chapter III of the Decision on issuing approvals ("Official Gazette of the Republic of Macedonia" no. 72/13), deciding upon the request of "Stopanska Banka" AD Skopje, the Governor of the National Bank of the Republic of Macedonia made the following

DECISION

1. Preliminary approval has hereby been issued to "Stopanska Banka" AD Skopje for performing the financial activity "bancassurance".

2. In item 1 of the Decision from the Governor of the National Bank of the Republic of Macedonia no.15813 dated 30 April 2013, containing a list of financial activities approved to be performed by "Stopanska Banka" AD Skopje, after indent 20 shall be added a new indent 21 "- bancassurance". Indents 21, 22, and 23 shall become indents 22, 23, and 24.

3. The Governor shall revoke the issued approval if it is identified that the Bank fails to meet any of the requirements for performing the financial activity set forth in the Banking Law and the Decision on issuing approvals.

Explanatory Note

On 8 May 2018, "Stopanska Banka" AD Skopje (hereinafter referred to as the Bank) submitted a request for obtaining preliminary approval from the National Bank of the Republic of Macedonia (hereinafter referred to as the Central Bank) for performing financial activity – Bancassurance, pursuant to article 7 paragraph 1 item 23 and article 57 paragraph 1 item 2 of the Banking Law. The request was completed with documentation stipulated in Chapter III item 5 of the Decision on issuing approvals on 19 June 2018.

The financial activity has been defined in the Law on insurance supervision ("Official Gazette of the Republic of Macedonia" no. 27/02, 79/07, 88/08, 67/10, 44/11, 188/13, 43/14, 112/14, 153/15, 192/15, 23/16 and 83/18). According to article 134-h of this Law, bancassurance activities (intermediation in sale of insurance policies) can also perform a bank that obtained license for performing bancassurance activities from the Central Bank, whereas the Central Bank shall issue a license only upon prior approval by the Insurance Supervision Agency. On 18 May 2018, the Insurance Supervision Agency issued to the Bank approval for performing bancassurance.

After considering the submitted documentation, it was assessed to comply with the Banking Law and the Decision on issuing approvals. By analyzing the submitted documentation, it was assessed that the Bank will be organized and capable to work in compliance with regulations and prescribed supervisory standards, taking into consideration the criteria referred to in item 13 of the Decision on issuing approvals. According to the submitted documentation:

- there is economic justification for initiating the performance of financial activity;
- the Bank has relevant profile of employees for performing efficiently the financial activity as well as adequate organizational structure;
- the planned Bank organization provides double control in performance of the financial activity;
- the Bank disposes adequate information system and technical outfit for successful and secure performance of the new financial activity and it possesses appropriate business premises and technical equipment that will assure safe and uninterrupted performance of the new financial activity;
- it was enabled to include the new financial activity in the internal control system, in the internal audit and in AML/CTF system of the Bank;
- the financial activity performance was regulated by internal acts;
- after conducted risk analysis, the Bank identified a low risk from introduction of the new financial activity;
- a person with special rights and responsibilities for monitoring the performance of the financial activity was defined.

Taking into consideration the aforementioned, it was decided as in the purview of this Decision.

LEGAL REMEDY:

Dissatisfied party can lodge a complaint to the Administrative Court within 30 days from the date of receiving this Decision.

Anita Angelovska-Bezoska, PhD
Governor

STOPANSKA BANKA a.d. – SKOPJE
HEAD OFFICE SKOPJE
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