

Pursuant to Article 161, paragraph (1) and Article 295 of the Credit Institutions Act (Official Gazette 117/2008, 74/2009 and 153/2009) and Article 43, paragraph (2), item (9) of the Act on the Croatian National Bank (Official Gazette 75/2008), the Governor of the Croatian National Bank hereby issues the

Decision on amendments to the Decision on the supervision of a group of credit institutions on a consolidated basis

Article 1

In the Decision on the supervision of a group of credit institutions on a consolidated basis (Official Gazette 1/2009 and 75/2009), in Article 16, paragraphs (3) to (8) are amended to read:

"(3) The consolidated exposure of a group of credit institutions in the RC to one person or a group of connected persons shall not, following the implementation of risk mitigating techniques, exceed 25 percent of the consolidated own funds of that group.

(4) By way of derogation from paragraph (3) of this Article, the consolidated exposure of a group of credit institutions in the RC to a credit institution or an investment company and the group of legal persons connected with it shall not exceed the larger of the following to amounts:

- the amount of 25 percent of the consolidated own funds of that group or
- the amount of HRK 3 million.

(5) In the case referred to in paragraph (4) of this Article, the total consolidated exposure of a group of credit institutions in the RC to connected persons other than a credit institution or an investment company, shall not, following the implementation of risk mitigating techniques, exceed 25 percent of the consolidated own funds of that group.

(6) In the case referred to in paragraph (4) of this Article, if the amount of HRK 3 million exceeds 25 percent of the consolidated own funds of a group of credit institutions in the RC, the consolidated exposure to another credit institution or an investment company and a group of connected persons shall not, following the implementation of risk mitigating techniques, exceed the amount of 100 percent of the consolidated own funds of the group of credit institutions in the RC or HRK 3 million, whichever is the lower.

(7) By way of derogation from the provisions of paragraphs (3) to (6) of this Article, the consolidated exposure of a group of credit institutions in the RC to the person referred to in Article 153 of the Credit Institutions Act or group of persons connected with it shall not, following the implementation of risk mitigating techniques, exceed 10 percent of the consolidated own funds of the group of credit institutions in the RC.

(8) The sum of all consolidated large exposures of a group of credit institutions in the RC shall not exceed 600 percent of the consolidated own funds of the group of credit institutions in the RC."

After paragraph (8), paragraphs (9) to (11) are added, which read:

"(9) The sum of all consolidated exposures of a group of credit institutions in the RC to the persons in a special relationship referred to in Article 153 of the Credit Institutions Act shall not exceed 50 percent of the consolidated own funds of the group of credit institutions in the RC.

(10) The limits prescribed in paragraphs (7) and (9) of this Article shall not apply to the consolidated exposure of a group of credit institutions in the RC to a parent undertaking of a parent credit institution, to its subsidiary undertakings and the persons connected with them.

(11) The limits referred to in paragraphs (3) to (6) and paragraph (8) of this Article shall apply to the total consolidated exposure referred to in paragraph (10) of this Article."

Article 2

As at the date of accession of the Republic of Croatia to the European Union, in Article 16 of the Decision on the supervision of a group of credit institutions on a consolidated basis (Official Gazette No. 1/2009 and 75/2009), which is amended by Article 1 of this Decision, paragraphs (7), (8) and (9) shall cease to have effect.

Article 3

This Decision shall be published in the Official Gazette and shall enter into force on 31 March 2010.

No.: 6-020/01-10/ŽR

Zagreb, 4 January 2010

Croatian National Bank
Governor

Željko Rohatinski