

Pursuant to Article 92, paragraph (5), Article 93, paragraph (6) and Article 94, paragraph (2) of the Credit Institutions Act (Official Gazette 117/2008), and Article 43, paragraph (2), item (9) of the Croatian National Bank Act (Official Gazette 75/2008), the Governor of the Croatian National Bank hereby issues the

**Decision**  
**on representative offices of credit institutions with registered offices outside the**  
**Republic of Croatia**

**General provisions**  
Article 1

This Decision governs in detail the conditions and procedure for the establishment and operation of representative offices, the oversight of the representative offices and the keeping of a register of representative offices of credit institutions with registered offices outside the Republic of Croatia, established in the Republic of Croatia (hereinafter: representative office).

**A representative office's activities**  
Article 2

A representative office may only carry out activities related to market research, representing and advertising its founder and providing information on the founder.

**Establishment, legal status and firm name of a representative office**  
Article 3

(1) A credit institution of a Member State intending to establish a representative office within the territory of the Republic of Croatia shall notify the Croatian National Bank thereof in advance. The representative office of the credit institution of a Member State may begin its operation upon receipt of notification from the Croatian National Bank on the entry in the register of representative offices of credit institutions in the Republic of Croatia (hereinafter: register).

(2) A third-country credit institution intending to establish a representative office within the territory of the Republic of Croatia shall submit an application to the Croatian National Bank for authorisation to establish a representative office of a third-country credit institution. The representative office of a third-country credit institution may begin its operation on receipt of authorisation to establish a representative office.

(3) For the purposes of this Decision, 'founder' means the credit institution referred to in paragraphs (1) or (2) of this Article.

(4) A representative office may be established by one or several founders.

(5) A representative office shall operate under the firm name of the founder with an indication of its status as a representative office.

(6) A founder may establish several branches of a representative office in the territory of the Republic of Croatia.

### **Establishment of a representative office**

#### Article 4

(1) A credit institution of a Member State shall enclose with the notification referred to in Article 3 paragraph (1) of this Decision the documentation referred to in Article 92 paragraph (2) of the Credit Institutions Act.

(2) A third-country credit institution shall enclose with the application referred to in Article 3 paragraph (2) of this Decision the documentation referred to in Article 93 paragraph (2) of the Credit Institutions Act.

(3) The documentation referred to in paragraphs (1) and (2) of this Article must be in original form accompanied by a certified translation in the Croatian language.

(4) Where a representative office is established by several founders, their joint notification or joint application shall be accompanied by the documentation referred to in paragraphs (1) and (2) of this Article for each individual founder.

### **A representative office's operation**

#### Article 5

(1) A representative office of a third-country credit institution in the Republic of Croatia shall begin its operation no later than 12 months following the delivery of authorisation to establish the representative office.

(2) A representative office of a credit institution of a Member State in the Republic of Croatia shall begin its operation no later than 12 months following the delivery of the notification from the Croatian National Bank on the entry in the register.

(3) A representative office shall carry out the activities referred to in Article 2 of this Decision in such a manner that discontinuations of operation do not last longer than six months.

(4) A representative office may not carry out its activities within the territory of the Republic of Croatia if the authorisation to the founder of the representative office, issued by a competent authority, has been withdrawn or has expired.

### **Withdrawal of authorisation to establish a representative office**

#### Article 6

(1) The Croatian National Bank shall withdraw authorisation to establish a representative office of a third-country credit institution where the representative office acts contrary to the regulations of the Republic of Croatia.

(2) The Croatian National Bank shall, in its decision on the withdrawal of authorisation to establish a representative office, specify a maximum period of 90 days following the delivery of this Decision within which the representative office shall cease operation.

## **Oversight of a representative office's operation**

### **Article 7**

The Croatian National Bank shall exercise oversight of a representative office's operation in accordance with the provisions of the Credit Institutions Act and regulations adopted thereunder.

## **Entry in the register**

### **Article 8**

- (1) The Croatian National Bank shall keep a register.
- (2) In the case of a representative office of a credit institution of a Member State, the representative office shall be entered in the register on the basis of a notification from the founder.
- (3) In the case of a representative office of a third-country credit institution, the representative office shall be entered in the register on the basis of authorisation from the Croatian National Bank.
- (4) The founder shall, within eight days, notify the Croatian National Bank of any changes in the data to be entered in the register and shall enclose documentation showing that a change has been made.
- (5) The changes in the data referred to in paragraph (4) of this Article relating to a representative office of a Member State shall be entered in the register on the basis of the notification and documentation referred to in paragraph (4) of this Article.
- (6) The changes in the data referred to in paragraph (4) of this Article relating to a third-country representative office shall be entered in the register on the basis of a decision of the Croatian National Bank.
- (7) An entry in the register of a third-country representative office and any changes in the register relating thereto shall be made by the Croatian National Bank on production of evidence of the payment of administrative fees.

## **Content of the register**

### **Article 9**

The register shall contain in particular:

1. number of entry;
2. date of entry;
3. firm name and registered office of the founder;
4. a list of persons responsible for the representative office's operation;
5. registered office (address) of the representative office; and
6. date of removal from the register.

## **Removal from the register**

### Article 10

(1) Where the Croatian National Bank establishes that a representative office of a credit institution of a Member State has acted contrary to the regulations of the Republic of Croatia, it shall notify thereof the authority competent for the supervision of that credit institution. The Croatian National Bank may, upon sending such notification, remove the representative office of a credit institution of a Member State from the register.

(2) Except in the case referred to in paragraph (1) of this Article, the Croatian National Bank shall also remove from the register a representative office of a credit institution of a Member State based on the notification of a founder referred to in paragraph (3) of this Article.

(3) A founder shall notify the Croatian National Bank in the following cases:

- 1) where the representative office fails to begin its operation within 12 months of the issue of authorisation to establish the representative office;
- 2) where the authorisation to the founder of the representative office, issued by a competent authority, has been withdrawn or has expired;
- 3) where the representative office has not carried out its activities for more than six months; or
- 4) where the founder has adopted a decision on the dissolution of the representative office.

(4) Where a representative office has been established by several founders, and where the authorisation issued by a competent authority to one of them has been withdrawn or has expired, other founders shall, within eight days of withdrawing the authorisation or its expiry, notify the Croatian National Bank thereof.

## **Disclosure of a List of Representative Offices**

### Article 11

The Croatian National Bank shall disclose a List of Representative Offices of credit institutions with registered offices outside the Republic of Croatia on its web site and shall update it regularly.

## **Transitional and final provisions**

### Article 12

(1) As of the day of entering into force of this Decision, the Decision on the Terms and Conditions and the Procedure for the Establishment and Operation of the Representative Offices of Foreign Banks in the Republic of Croatia (Official Gazette 17/2003) shall cease to have effect.

(2) Representative offices of third-country credit institutions which were in operation on the day of entry into force of this Decision shall continue to operate in the manner and under the conditions laid down by this Decision.

(3) Until the date of accession of the Republic of Croatia to the European Union, the provisions of this Decision relating to representative offices of third-country credit institutions shall apply to the representative offices of credit institutions of the Member States.

(4) This Decision shall enter into force on the eighth day following its publication in the Official Gazette, with the exception of Article 3, paragraph (1), Article 4, paragraph (1), Article 5, paragraph (2), Article 8, paragraphs (2) and (5) and Article 10, paragraphs (1) and (2) of this Decision which shall enter into force on the date of accession of the Republic of Croatia to the European Union.

No.: 16-020/01-09/ŽR  
Zagreb, 2 January 2009

Croatian National Bank  
Governor  
**Željko Rohatinski**, m.p.