



**REPUBLIC OF ALBANIA
BANK OF ALBANIA
SUPERVISORY COUNCIL**

D E C I S I O N

No. 14, dated 11.03.2009

**APPROVAL OF THE REGULATION
“ON GRANTING THE LICENSE AND THE EXERCISE OF BANKING ACTIVITY OF BANKS AND
BRANCHES OF FOREIGN BANKS IN THE REPUBLIC OF ALBANIA”**

In accordance with Article 12, “a” and Article 43, “c” of the Law No. 8269, dated 23.12.1997 “On the Bank of Albania” as amended, the Supervisory Council of the Bank of Albania, having regard to the proposal from the Supervision Department,

D e c i d e d:

1. To approve the Regulation “On granting the license and the exercise of banking activity of banks and branches of foreign banks in the Republic of Albania” attached to this decision.
2. The Supervision Department is responsible for the implementation of this Decision.
3. The Foreign Relations, European Integration and Communication Department is responsible for the publication of this Decision in the Official Journal of the Republic of Albania and in the Official Bulletin of the Bank of Albania.
4. This Regulation shall enter into force on the 15th day following that of its publication in the Official Journal of the Republic of Albania.
5. The Regulation “On granting the license to carry out banking activity in the Republic of Albania, adopted by the Decision of the Supervisory Council of the Bank of Albania No.71, dated 11.09.2002, as amended by the Decision No.03, dated 26.01.2005, amended by the Decision No. 80, dated 25.10. 2006 shall be abrogated upon the entry into force of this Decision.
6. This decision shall take effect upon its approval.

SECRETARY

Ylli Memisha

**CHAIRMAN
OF THE SUPERVISORY COUNCIL**

Ardian Fullani

**REPUBLIC OF ALBANIA
BANK OF ALBANIA**

**REGULATION
“ON GRANTING THE LICENSE AND THE EXERCISE OF BANKING ACTIVITY OF
BANKS AND BRANCHES OF FOREIGN BANKS IN THE REPUBLIC OF ALBANIA”**

(Adopted upon Decision No. 14, dated 11.03.2009 and amended upon Decision No. 33, dated 11.05.2011, upon Decision No. 28, dated 16.05.2012, upon Decision No. 55, dated 01.10.2014, upon Decision No. 15, dated 03.02.2016, upon Decision No. 46, dated 3.7.2019 and upon Decision No. 61, dated 24.11.2021 of the Supervisory Council of the Bank of Albania)

**Chapter I
General provisions**

**Article 1
Purpose**

The purpose of this Regulation is to set out the conditions, requirements, terms, documentation and procedures for:

- a) granting the license to the bank and the branch of a foreign bank to carry out banking and financial activity in the Republic of Albania;
- b) the approval of the additional activities for the bank and the branch of a foreign bank;
- c) the expansion of banking network after the licensing of the bank and the branch of a foreign bank;
- d) the obligations to notify the Bank of Albania during the exercise of the activity of a bank and the branch of foreign bank;
- e) the granting of the prior approvals during the exercise of the bank and branch of foreign bank activity; and
- f) the legal reorganisation of the bank (merger, separation).

**Article 2
Legal ground**

This regulation is approved in accordance with:

- the Law No.8269, dated 23.12.1997 “On the Bank of Albania“, Article 1, paragraph 4 letter “b”; Article 3, paragraph 4 letter “c” and Article 12, letter “a”.
- Chapter II of the Law No. 9662, dated 18.12.2006 "On Banks in the Republic of Albania", hereinafter referred to this Regulation as the Law on Banks.
- Law No.9901, dated 14.04.2008 “On the traders and the commercial companies“.
- Law No.9723, dated 03.05.2007 “On the National Registration Centre”.
- ¹Law No. 52/2014 dated 22.5.2014 “On insurance and reinsurance”.

¹ Amended upon the decision of the Bank of Albania’s Supervisory Council, No. 55, dated 01.10.2014.

- ²Law no. 9917, dated 19.05.2008 “On prevention of money laundering and terrorism financing”.
- ³Article 21 of the Law no.55/2020, dated 30.04.2020 “On payment services”.

Article 3 Subjects

1. This Regulation shall apply to persons applying for a license to carry out banking and financial activity in the Republic of Albania, set out in Article 54 of the Law No. 9662, dated 18.12.2006 "On Banks in the Republic of Albania" as well as the banks and branches of foreign banks.
2. In addition to the activities stipulated in Article 54 of the Law No. 9662, dated 18.12.2006 “On Banks in the Republic of Albania”, banks and foreign banks branches may conduct the activity of vaults service, after the granting of the licence or the prior approval on the conduction of the additional activity from the Bank of Albania, in accordance with the provisions set forth in this Regulation⁴.

Article 4 Definitions

1. The terms used in this Regulation shall have the same meaning with the terms set out in Article 4 of the Law No. 9662, dated 18.12.2006 "On Banks in the Republic of Albania", ⁵as amended and in the Law no. 9917, dated 19.05.2008 “On prevention of money laundering and terrorism financing”, as amended.
2. Unless otherwise stated in paragraph 1 of this Article, for the purposes of implementing this Regulation, the following terms shall have these meanings:
 - a. **repurchase of the banks’ shares or repurchase of the related persons’ shares**, shall have the meaning stipulated in the Law No. 9901, dated 14.04.2008 “On traders and commercial companies”;
 - b. **merger by absorption** is the merging of two or more banks through the transferring of total assets and liabilities of the absorbed bank/banks to another existing bank, called the absorbing bank. This reorganisation form causes the break-up of the absorbed bank/banks for the owing of shares of the shareholders of the absorbed bank/banks into the absorbing bank;
 - c. **merger by creation**, is the merger of two or more existing banks for the purposes of establishment of a new one, where these existing banks lose their legal personality and a new one is founded. The recently founded bank shall own all the assets and liabilities of the merged banks, for the owing of shares of the shareholders of the existing bank/banks into the new bank;

² Added upon the decision of the Bank of Albania’s Supervisory Council, No. 46, dated 3.7.2019.

³ Added upon the decision of the Bank of Albania’s Supervisory Council, No. 61, dated 24.11.2021.

⁴ Amended upon the decision of the Bank of Albania’s Supervisory Council, No. 33, dated 11.05.2011.

⁵ Added upon the decision of the Bank of Albania’s Supervisory Council, No. 46, dated 3.7.2019.

- d. **separation by creation**, is the separation realised through the transfer of all assets and liabilities in two or more banks being founded recently (waiting), where the separated bank is assessed as separated without liquidation;
- e. **separation by absorption**, is the separation accomplished through the transfer of all assets and liabilities to two or some existing banks (expected) where the separated bank is assessed as broken without liquidation.
- f. ⁶**bearer shares** are shares of a legal person, whose ownership is transferred to the person that owns or holds the certificate/document of the bearer shares without the need of an agreement/contract for transferring the ownership of these shares;
- g. ⁷**nominee shareholder** is the registered shareholder of a legal person that holds shares on the current shareholder's behalf (beneficiary owner), according to an agreement;
- h. ⁸**shell bank** is a bank, which does not have a physical presence, including lack of administration and management, and, which is not included in any regulated financial group.

Chapter II Licensing

Article 5 General requirements to acquire the license

1. The person applying to carry out banking activity in the Republic of Albania shall submit the application to acquire the license in written form to the Bank of Albania. The application is signed and submitted to the Bank of Albania by the founding shareholders of the proposed bank or by the foreign bank in the case this latter applies to carry out banking and financial activity in the Republic of Albania. The application is submitted to the Bank of Albania accompanied with the complete documentation required by the Law on Banks and by this Regulation, in accordance with the forms attached and an integral part of this Regulation.
2. The provided documentation shall be in the Albanian language, either in original or a ⁹notarized copy. In the case of the documentation issued by the competent authorities of a foreign country, the documentation must be legalized in one of the following ways:
 - a) by the responsible authorities of the foreign country, as defined in the legislation in force of this country; or

⁶ Added upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

⁷ Added upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

⁸ Added upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

⁹ Amended upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

- b) in accordance with the stipulations in the respective legal acts of the international law in this field, ratified by the Albanian state.
3. Notwithstanding the definition set out in paragraph 2 of this Article, the financial statements, in the case of foreign subjects, may be submitted in English language.
4. The documentation shall be submitted to the Bank of Albania in a closed envelope or sent via registered mail.
5. The person, after submitting the application and the related documentation, shall publish, for at least three regular days in two of the highest circulation newspapers, an announcement regarding its application to acquire a license as a bank or branch of a foreign bank in the Republic of Albania. The person applying for a license shall pay the costs of this announcement.

Article 6

Capital requirements

1. The person/persons applying to exercise financial and banking activity in the Republic of Albania through the establishment and the license of a bank, shall deposit for this purpose at the Bank of Albania a minimum initial capital amounting not less than Lek 1(one) billion, in accordance with the definitions stipulated in paragraph 2 of Article 18 of the Law on banks.
2. The foreign bank applying to carry out banking and financial activity in the Republic of Albania through its branch, shall deposit for this purpose to the Bank of Albania the endowed initial capital of this latter, amounting not less than Lek 1 (one) billion.
3. The payments or costs for the purchase or hire of the work premises and equipments, and the other operational costs shall not be included in the minimum initial capital amount required in accordance with paragraphs 1 and 2 of this Article.

Article 7

Requirements relating to the documentation for granting the license to the bank and branch of the foreign bank

1. The person applying to acquire a license for the purposes of carrying out banking and financial activity in the Republic of Albania, in addition to that stipulated in paragraph 1 of Article 17 of the Law on banks, shall submit also to the Bank of Albania the following documentation:
 - a) the documentation regarding the education, professional experience and ¹⁰reputation of the executive directors of the proposed bank, in accordance with the requirements set out in the Law on banks and the regulatory by-laws issued by the Bank of Albania for this purpose, accompanied by a description of their job and responsibilities;

¹⁰ Amended upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

- b) the notarized statements relating to the source of the creation of such capital, accompanied with the supporting documentation in accordance with the stipulations of paragraph 2 of Article 13, of the Law on banks;
- c) ¹¹if the direct shareholder is a legal person:
- i. the registration document in the Commercial Registry as a legal person and the statute of the company;
 - ii. the respective legal documentation certifying the settlement of the unpaid fiscal obligations for the recent period,
 - iii. organizational structure,
 - iv. the statement regarding the position of the legal person in the group of companies it is part of, signed by ¹²his legal representative (if applicable),
 - v. ¹³capital structure of the proposed shareholder up to the last beneficiary with qualifying and non-qualifying holding in bank capital (according to forms no. 3, no. 4 and no. 5, integral part of this regulation). In the information according to this letter shall be declared whether this structure comprises bearer shares or nominee shareholder,
 - vi. ¹⁴holdings of the proposed shareholder in companies where he owns not less than 10% of the voting rights (if applicable), accompanied by a summary of the activity(ies) carried out by the latter,
 - vii. the notarized statement for the regular payment of the obligations against the third parties,
 - viii. ¹⁵trading activity data for the last seven years of the proposed shareholder with qualifying holding, and the audited financial statements for the last three years for each shareholder which reveal that the nature and financial sources of the proposed shareholder are such to provide additional capital for the bank activity, as well as the evidence for the adequacy of monetary funds in cash and in banks, for the capital payment¹⁶,
 - ix. certificates, relating to the proposed shareholder¹⁷, issued by the competent authorities, in accordance with the respective jurisdiction, that:
 - the person is not under a criminal investigation(if applicable),
 - the person is not subject of any judgement for penal acts committed (if applicable),
 - the person has never been convicted by a final decision of a court for committing a criminal offence (if applicable),
 - the person is not under an obligatory execution process for unpaid obligations based on wealth,
 - the person is not subject of any insolvency, bankruptcy or liquidity procedures, etc.

¹¹ Amended upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

¹² Amended upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

¹³ Amended upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

¹⁴ Amended upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

¹⁵ Amended upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

¹⁶ Amended upon the decision of the Bank of Albania's Supervisory Council, No. 61, dated 24.11.2021.

¹⁷ Amended upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

¹⁸The aforementioned certificates shall be issued no earlier than 3 months following the date of the application submission to the Bank of Albania.

- x. ¹⁹a statement containing the information about working or business relationship, in accordance with legal stipulations, with persons with criminal convictions by a final court decision (form no. 15),
- xi. ²⁰list of indirect holdings in bank's capital of an amount no less than 5%, accompanied by the following information:
 - the registration document in Commercial Registry as legal person(s) and the statute of the company(ies);
 - the relevant documentation certifying he has/no unpaid fiscal obligations for the recent period;
 - the notarized statement for the regular payment of obligations to third parties;
 - certificates, issued by competent authorities in accordance with the respective jurisdiction, that:
 - the person is not under criminal prosecution (where applicable);
 - the person is not subject of any judgement of criminal offence committed;
 - the person has never been convicted for committing a criminal offence (where applicable);
 - the person is not under an obligatory execution process for unpaid obligations based on wealth;
 - the person is not subject of any insolvency, bankruptcy or liquidity procedures, etc.

The aforementioned certificates shall be issued no earlier than 3 months following the date of the application submission to the Bank of Albania.

- a statement containing the information about close personal, working or business relationship, in accordance with legal stipulations, with persons with criminal convictions by a final court decision (form no. 15),
- xii. ²¹the list of the individuals last beneficiaries in bank capital to an amount not less than 5%, accompanied by the following information:
 - a notarized/legalized copy of the identification document and the Curriculum Vitae (in accordance with the form no. 6, part of this regulation);
 - information on family relations with bank shareholders;
 - the relevant legal document certifying the payment of all the fiscal obligations for the most recent period;
 - the statement on regular payment of obligations to third parties (if any);
 - certification issued by competent authorities that:

¹⁸ Amended upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

¹⁹ Added upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

²⁰ Added upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

²¹ Added upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

- the person is not under criminal prosecution;
- the person is not subject to criminal proceedings;
- the person has never been subject to a criminal conviction;
- the person is not under an obligatory settlement execution process for unpaid obligations based on wealth.

The aforementioned certificates shall be issued no earlier than 3 months following the date of the application submission to the Bank of Albania.

- a statement containing the information about close personal, working or business relationships, in accordance with legal stipulations, with persons with criminal convictions by a final court decision (form no. 15).

d) ²²if the direct shareholder is a natural person/individual:

- i. ²³a notarized/legalized copy of the identification document and a Curriculum Vitae (according to form no.6, an integral part of this regulation),
- ii. ²⁴a complete information on the interests based on his wealth or business(es), particularly the list of those businesses where he may have qualifying holdings and the respective percentage of such qualifying holding shares/quotas that he owns in the shareholder capital,
- ii/1. ²⁵audited financial statements/data by legal auditors (in accordance with the form no. 12, integral part of this regulation). Where it proposes to own qualifying holding, the trading activity data for the last seven years,
- iii. information ²⁶about his participation(s) in the steering councils of banks,
- iv. information ²⁷about his participation(s) in the supervisory/administrative councils and/or steering organs of other non-banking commercial companies in and outside territory of the Republic of Albania,
- v. information ²⁸about his participation(s) in the steering organs of business organisations,
- vi. information on the possible relations that shall exist between ²⁹his private activity and the proposed activity, after the licensing of this latter,
- vii. ³⁰a statement containing the information about close personal, working or business relationships, in accordance with legal stipulations, with persons with criminal convictions by a final court decision (form no. 15),
- viii. the respective legal documentation certifying the payment of all the fiscal obligations for the most recent period,
- ix. a declaration of the trade natural person or of the individual on the regular settlement of its obligations versus the third parties (if having such ones),
- x. certificates issued by the competent authorities that:

²² Amended upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

²³ Amended upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

²⁴ Amended upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

²⁵ Added upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

²⁶ Amended upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

²⁷ Amended upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

²⁸ Amended upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

²⁹ Amended upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

³⁰ Amended upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

- the person is not under a penal investigation,
- the person is not subject of a penal process for penal acts committed,
- the person has never been condemned by a final decision of a court,
- the person is not under an obligatory settlement execution process for unpaid obligations based on wealth;

³¹The aforementioned certificates shall be issued no earlier than 3 (three) months following the date of the application submission to the Bank of Albania.

e) The proposed business-plan, in addition to the details set out in Article 17, paragraph 1, letter “e” of the banking law, shall include also the following:

- i. the assessment of the proposed shareholder/shareholders on the Albanian banking system, the competitors, market characteristics and its development tendencies,
- ii. the strategy of the proposed bank relating to the objectives and the targeted position in the market,
- iii. the main reasons and argues why the founding shareholder/shareholders are confident that the bank shall be successful, and the general strategy to achieve this success,
- iv. the organisational structure of the bank and the expected number of employees,
- v. the number of branches and agencies, alongside with the locations and terms the bank plans to open them,
- vi. the expectation for the financial state of the proposed bank for the first three years of exercising its activity (accounting balance, profit and loss statement, cash-flow statement ³²(in accordance with the forms no. 7, no. 8, no. 9 and no. 10, an integral part of this regulation), the plan of pre-operational amortisation expenses, the profit distribution or losses covering plan, etc) including the main argues employed for these expectations,
- vii. identification of risks the bank expects to be exposed throughout the implementation of business plan, ³³including the money laundering and/or terrorism financing risk, as well as a description of audit methods and systems the bank shall apply for the purposes of managing these risks. The subject, for the purposes to prepare the business-plan an calculate the indicators for the expected risks, shall consider the requirements set out in the Law on banks and in the by-laws implementing it, particularly the definitions stipulated by these latter relating to the maximum rates and limits of risks indicators;

f) The certificate providing the payment of the commission for the purpose of processing the license.

2. The foreign bank may exercise banking activity in the Republic of Albania through opening a branch or the establishment of its subsidiary.

³¹ Amended upon the decision of the Bank of Albania’s Supervisory Council, No. 46, dated 3.7.2019.

³² Added upon the decision of the Bank of Albania’s Supervisory Council, No. 46, dated 3.7.2019.

³³ Added upon the decision of the Bank of Albania’s Supervisory Council, No. 46, dated 3.7.2019.

3. In case the subject applying for license is expected to be a branch or a subsidiary of a foreign bank, the application for acquiring a license, in addition to that stipulated in Article 17 of the Law on banks, is accompanied by the following documentation:
- a) the organisation and management scheme of the foreign bank
 - b) the list of foreign bank administrators;
 - c) the by-laws that set out and adjust the mutual relationships between the parent bank and its branch or subsidiary in Albania;
 - d) information on the recent economic developments and the perspective of the origin country;
 - e) information relating to the assessment of the bank performance issued by the supervisory authority of the respective country and ³⁴by external credit assessment institutions (ECAI) (if any);
 - f) information relating to the management, strategy, capital ownership structure, the financial state of the foreign bank ³⁵on individual and consolidated basis, if the bank is part of a financial/banking group;
 - g) the documentation defined in letters “a” and “e” of paragraph 1, of this Article;
 - h) ³⁶policy and procedures on money laundering and terrorism financing risk management of the foreign bank;
 - i) ³⁷foreign bank reports on the number of suspicious transactions, as well as the number of the clients by risk category, for the last three years.

Article 8

The analysing of the application for a license

1. The Bank of Albania shall analyse the submitted application and documentation for acquiring a license, in accordance with the requirements set out in the Law on banks and in this Regulation.
2. The Bank of Albania shall notify the person applying for a license if the documentation provided from this latter is incomplete and/or does not meet the requirements defined in the Law on banks and in this Regulation.
3. The Bank of Albania shall publish an announcement after the complete submission of the application and documentation for acquiring a license to carry out banking and financial activity in the Republic of Albania. The announcement shall include the name of the subject applying for license, names of the founding shareholders and the names of the main administrators of the bank or the proposed branch of a foreign bank.
4. The Bank of Albania, after the complete submission of the request for license, shall carry out the following operations:

³⁴ Amended upon the decision of the Bank of Albania’s Supervisory Council, No. 46, dated 3.7.2019.

³⁵ Added upon the decision of the Bank of Albania’s Supervisory Council, No. 46, dated 3.7.2019.

³⁶ Added upon the decision of the Bank of Albania’s Supervisory Council, No. 46, dated 3.7.2019.

³⁷ Added upon the decision of the Bank of Albania’s Supervisory Council, No. 46, dated 3.7.2019.

- a) it shall analyse the whole information provided through the submitted documentation, and it may carry out the verifications it deems as necessary;
- b) it may hold and organise meetings, if deeming necessary, with:
 - i. the proposed administrators of the bank or the branch of a foreign bank, and/or,
 - ii. the founding shareholders of bank or with the legal representatives of the foreign bank (in case the submitted application relates to the licensing of the branch of a foreign bank).

The purpose of organising and holding these meetings is the discussion of the objectives in the market, the provided business plan, the main proposed policies and the risks the bank or the branch of foreign bank shall bring about in the market, etc.

- c) it assesses, based on the respective documentation and taking account of the results of the meeting held with the proposed administrators of the bank or the branch of a foreign bank, if these latter have the required qualification to accomplish the provided business plan;
- d) it assesses the transparency of the share capital structure of the bank by analysing the following evidences:
 - i. the structure of companies group where the proposed founding shareholder/shareholders is or may become part of,
 - ii. the relationships with the company this latter has under control;
- e) it assesses the creation source of the capital and its structure ³⁸and the information about any possible family relations or close personal, working or business relationships, in accordance with legal stipulations, with persons with criminal convictions by a final court decision, who might finance the proposed shareholder;
- f) it assesses the provided business plan, if this later is real and convincing;
- g) it assesses, based on the provided business plan, the novelty the bank shall bring in the market and the expectation of its survival under the conditions of a free competition in the market;
- h) it analyses the expected revenues of the bank or branch of the foreign bank, aiming the subject results with programmed profit within the first three years of its activity;
- i) it assesses, in accordance with the submitted business plan, the risk the bank or the branch of a foreign bank expects to encounter for the first three years of its activity to create the confidence that the subject shall carry out a safe and successful activity;

³⁸ Added upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

- j) it assesses the possibility of the proposed bank's shareholders or the liquidity of the foreign bank to inject additional capital, if needed to afford the risks during the exercise of the activity;
 - k) it assesses the organisational structure of the bank or the proposed branch of a foreign bank, for the purposes the management structure and the internal audit system provide the effective and prudential management of assets and resources, and do not hinder its effective supervision;
 - l) it assesses and verifies the opinions provided from the public for the submitted application;
 - m) it assesses the willingness of the proposed shareholders or of the foreign bank, to meet the requirements and obligations for the continuous supervision of the bank or the proposed branch of a foreign bank;
 - n) in the case of the branch or subsidiary of the foreign bank, it sign a memorandum of understanding with the parent bank, regarding the submission by this later of the periodic information about the financial state of the foreign bank for the purposes of the consolidated supervision.
5. In the case of the branch of a foreign bank, in addition to that stipulation in paragraph 4 of this Article, Bank of Albania shall review and analyse:
- a) the economic and political conditions of the origin country;
 - b) the features of the banking and/or financial system of the origin country, and the position of the foreign bank in the market;
 - c) the banking supervision scheme in the country of origin, as well as the ability of banking supervisory authority of this country, for the purpose of meeting this function;
 - d) the legislation and accounting practices that are implemented in the country of origin;
 - e) ³⁹the number of the suspicious transactions and the number of clients by risk category of the foreign bank for the last 3 years;
 - f) ⁴⁰the sanctions set for the foreign bank by the competent/supervisory authorities, including also concerning money laundering and terrorism financing for the last three years.
6. The Bank of Albania, to carry out the assessments defined in this Article, in addition to reviewing the submitted documentation, ⁴¹shall cooperate with and request information from homologous supervisory authorities and institutions specialised in the fight against economic crime and organized crime and in anti-money laundering, the Financial Supervision Authority, the Competition Authority, the General Directorate of Police, the Directorate of Taxes, etc.

³⁹ Added upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

⁴⁰ Added upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

⁴¹ Amended upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

7. ⁴²Where the Bank of Albania concludes, or is reasonably suspicious of the capital structure or of its source being associated to persons with criminal convictions by a final court decision, who have family relations or close personal, working or business relationship, in accordance with legal stipulations, with the proposed shareholders, or is related to tax havens or offshores companies, it notifies and requires from the General Directorate for the Prevention of Money Laundering whether it has information regarding the proposed shareholders, and shall suspend the procedure on granting the license up to a response from the latter.

Article 9 **Prior approval of license or its refusal**

1. The Bank of Albania shall give its initial approval only after it has been satisfied that:
- a) there are met the requirements set out in article 19 of the Law on banks;
 - b) there are met the requirements defined in paragraphs 4 and 5 of this Regulation
 - c) there are assessed the additional risks due to the ownership structure of the group the bank shall become part of or the branch of foreign bank, particularly in the relationships with its non-banking elements;
 - d) from the analysis of the business plan data for the first three years of the activity, it comes out that the bank or the proposed branch of a foreign bank shall preserve the supervisory rates of the Bank of Albania; and
 - e) ⁴³the policy and internal procedures on the prevention of money laundering and terrorism financing address the identified risks in the framework of money laundering and terrorism financing risk administration system.
2. The Bank of Albania shall request the change of the proposed name for the bank expected to be granted the license, if it deems that this later may raise confusion to the public or to the banking system.
- 2/1. ⁴⁴In addition to the stipulation in Article 19, paragraph 3 of the Law on banks, the Bank of Albania shall refuse the granting of a license, also if based on its evaluations, it deems that:
- a) granting the license would affect the public interest;
 - b) direct or indirect shareholders of the proposed bank own bearer shares, or they are nominee shareholders;
 - c) the bank to be granted the license or its proposed shareholders have a complex ownership and control structure;
 - d) the proposed shareholder of the proposed bank is a shell bank;
 - e) shareholders of the proposed bank represent high risk.
- 2/2. ⁴⁵ In any case, the Bank of Albania would not allow the creation or continuation of a shell bank activity.

⁴² Added upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

⁴³ Added upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

⁴⁴ Added upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

⁴⁵ Added upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

3. The Bank of Albania shall inform in writing the applicant on the grant or refusal of the prior approval for a license ⁴⁶with the relevant motivations, within fifteen business days from the date of taking the respective decision.

Article 10 **Notification for the new facts**

1. The person applying for a license shall inform in writing the Bank of Albania on the new facts and circumstances being concluded after the grant of the initial approval for the license, as well as the changes they bring about in the submitted documentation, based on which the Bank of Albania has granted the prior approval for the license.
2. The notification as defined in paragraph 1 of this Article shall take place immediately, but in any case no later than 15 days from the occurrence or the informing of the person for the new facts or circumstances.

Article 11 **The license**

1. The person having acquired the prior approval for license, shall apply in writing to the Bank of Albania for the grant of the license, by submitting the following documentation:
 - a) the banking document that certifies the payment of the minimum initial capital amount or the transfer of the granted minimum initial capital of the branch of the foreign bank in accordance with the conditions set out in Article 18, paragraph 2 of the law on banks;
 - b) the act of the initial registration as legal person or the registration of the branch of a foreign bank at ⁴⁷the National Business Center;
 - c) statute of the bank and the foundation act;
 - d) the internal by-laws (internal policies, procedures and regulations) adopted by the steering organs of the bank or the branch of a foreign bank. The regulation purpose of these by-laws are the main activities that the new bank or the branch of a foreign bank shall carry out, the policies for the management and control of crediting activity, the policies regarding the assessment, review, management, monitoring and control of major risks and exposure, and the way of creating the reserve funds to cover the losses from loans;
 - e) the decision of the steering organs of the bank or of the relevant organs of the foreign bank in the case of the branch of a foreign bank, to hire the administrators. A short description of the powers of administrators shall be attached to these decisions, together with the specimen and the signature right for each of them;
 - f) a legal act relating the acquiring of the right to use the premises where the banking and financial activity shall be carried out;

⁴⁶ Added upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

⁴⁷ Amended upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

- g) the decision of the bank's shareholders assembly or body concerned of the parent bank for the branch of a foreign bank regarding the appointment of the statutory auditor, in accordance with the requirements of the Regulation "On the statutory auditor". This decision is accompanied by the data for the number, date of license of statutory auditor, and for the legal authority that has issued this license;
- h) the respective contracts concerning the insurance against the main risks (fire, earthquake, etc) of the premises and equipments with the insurance companies;
- i) the contracts for the protection of premises and equipments provided by the physical security and protection companies;
- j) a certificate on taking the measures for the insurance of the bank's environments from fire, issued by the competent authorities;
- k) certificate issued by the Insurance Deposits Agency on the meeting of the legal and by-law requirements concerning the deposits insurance;
- l) certificate for the payment of the commission for the grant of the license;
- m) the documentation regarding the members of Steering Council, the audit committee and the other administrators relating to the education, professional experience and their reputation, in accordance with the requirements of the Law on banks and the regulatory acts issued by the Bank of Albania to this extent.

2. The Bank of Albania, prior to the approval of the license shall carry out an on-site inspection of the technical and security conditions of the premises where the subject shall exercise the activity. The purpose of this inspection is to assess whether the subject has created conditions to meet the obligations defined in the by-law of the Bank of Albania, in terms of technical and security conditions of the premises within which the subject shall carry out its activity.

Article 12 Commissions

The bank or branch of a foreign bank, for the purposes of processing the application for license, granting the license and for the exercise its activity, shall pay to the Bank of Albania the following commissions for:

- a) processing the application for license.....LEK 300.000 ;
- b) granting of the license.....LEK 200.000;
- c) validity of the license.....LEK 50.000.

Chapter III Additional activities

Article 13 Documentation required for additional activities

The bank or the branch of a foreign bank, which after the grant of the license, requires to carry out additional activities, which are not included in the annex of the granted license, shall submit an application in writing to the Bank of Albania accompanied by the following documentation:

- a) the decision of the respective decision-making organ of the bank or the branch of a foreign bank, for the approval of the additional activity;
- b) the amended statute⁴⁸ of the statute if this later contains a provision that sets out the purpose of the activity;
- c) the business plan/expectations of the bank or the branch of a foreign bank for the three forthcoming years relating to the additional activity. This documents shall describe the expected effect on the financial state of the bank or the branch of a foreign bank, that derives out from the additional activity applying to carry out, as well as the assessment of risks that bank or the branch of a foreign bank takes, during the conduction of this activity, in order these risks be within the limits laid down in the by-laws issued by the Bank of Albania;
- d) the documentation that certifies the professional ability of the employees of the bank or the branch of a foreign bank, who are expected to carry out these activities;
- e) the data that reveal the meeting of the administrative and technical conditions (regulations, instructions, procedures, manuals, etc.) needed for the exercise of the additional financial activity.

Chapter IV

Expansion of banking network, prior approvals and the obligation for notification

Subchapter I

Expansion of banking network within the territory of the Republic of Albania

Article 14

The opening of one or some new agencies/branches

1. The bank or the branch of a foreign bank, which requires expanding its network within the territory of the Republic of Albania, shall submit an application in written form for the granting of the initial approval from the Bank of Albania. This application is accompanied by the following documentation:
 - a) the decision of the competent organ of the bank or the branch of a foreign bank for the approval of the opening of a branch/branches or agency/agencies;
 - b) data on the location and the proposed area for carrying out the activity of the branch or of the agency;
 - c) a copy of the internal regulatory by-law of the organisation of the new proposed branch or agency, which sets out the functions, duties, responsibilities and the types of banking and/or financial activities to be carried out by this latter;
 - d) a short description of the competences of the principal director/directors of the branch or agency;

⁴⁸ Amended upon the decision of the Bank of Albania's Supervisory Council, No. 55, dated 01.10.2014.

- e) the business-plan of the branch or agency, which should particularly reflect the expectation of profit and loss, the accounting balance and the cash flow statement for the first three years of the branch or the agency's activity.
 - f) ⁴⁹a description of the risks towards which the bank expects to be exposed throughout business plan implementation, including the money laundering and/or terrorism financing risk;
 - g) ⁵⁰a description of control systems on the prevention of money laundering and terrorism financing in the branch or agency, as well as a description of the monitoring and reporting process of suspicious transactions;
 - h) ⁵¹a description of the responsibilities of the person in charge for the prevention of money laundering and terrorism financing, in the opening branch or agency.
2. The procedure of analysing the documentation relating to the grant of the initial approval for the expansion of the banking network shall take place in two phases. **In the first phase**, the Bank of Albania provides its agreement regarding the network expansion, after the analysis of the submitted documentation, it has been satisfied that:
- a) for banks:
 - I. the core capital of the bank, due to the opening of the branch or the agency, shall not fall under the level of the minimum initial capital amount as required from the Bank of Albania,
 - II. ⁵²the most recent overall assessment of bank, according to Risk Assessment System, is not "poor" or "critical",
 - III. the adequacy capital ratio of the bank, after the accomplishment of the expansion, does not fall under the required minimum level,
 - IV. this expansion does not impose any risk to the financial and supervisory position, or the operational continuity of the bank.
 - b) for the branch of foreign bank:
 - I. there is not imposed any threat to the required risk levels set out in the applicable regulation" On the management of the risk in the activity of the branches of foreign banks" ,
 - II. the economic/financial performance after the expansion is expected to be satisfied, based on the business plan provided for the first three years of the activity of the new branch or agency,
 - III. the expansion does not jeopardize the supervisory position of the bank relating to the organisational requirements and the financial indicators, or
 - IV. the structure of the banking and/or financial market due to the expansion does not impinge the competition principle.
3. The bank or the branch of a foreign bank, which is notified on the agreement of the Bank of Albania for the expansion of the banking network, has the right to initiate the

⁴⁹ Added upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

⁵⁰ Added upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

⁵¹ Added upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

⁵² Amended upon the decision of the Bank of Albania's Supervisory Council, No. 15, dated 03.02.2016.

preparatory operations to meet the requirements and the documentation required in the second phase of this process.

4. The bank or the branch of a foreign bank, for the purpose of implementing paragraph 3 of this article, should have submitted to the Bank of Albania the complete documentation required in the second phase of this procedure within six months from the date of receiving the notification for the agreement of the Bank of Albania on the banking network expansion. In case of failure to meet this obligation, the bank or the branch of a foreign bank is obliged to repeat the submission of the application to the Bank of Albania for the grant of prior approval for the expansion of the banking network. The new procedure for this purpose shall begin based on this later.
5. **In the second phase**, the Bank of Albania shall give the prior approval for the expansion of the bank network. This approval shall be given only after the completion and the analysis of the following documentation:
 - a) the agreement on the insurance of the premises and equipments with the insurance companies;
 - b) the agreement on the protection of premises and appliances with the companies providing the service of physical security and protection;
 - c) the certificate on the insurance against fire of the agency or branch premises, issued by the competent organs for the prevention of fires;
 - d) the legal act based on which the subject is vested with the right to use the premises where the agency or the branch shall carry out the financial and banking activity;
 - e) the correct address of the new branch or agency; and
 - f) the notification in written form from the bank or the branch of a foreign bank for the completion of the technical and security conditions in accordance with the applicable legal acts and by-laws, for the conduction of the financial and banking activity.
6. The bank or the branch of a foreign bank, is permitted to start to carry out the banking and financial activity in the agency/agencies or in the branch/branches only after acquiring the prior approval for this purpose from the Bank of Albania.
7. The Bank of Albania carries out the on-site inspection regarding the meeting of the conditions defined in this Regulation, even after that the branch or agency has started to exercise the banking and financial activity.
8. The Bank of Albania has the right to suspend the exercise of the branch/agency activity and/or to revoke the granting of initial approval for the expansion of banking network, if after the accomplishment of the on-site inspection, it concludes that there are not met the technical and security conditions for the exercise of the banking and financial activity.

Article 15⁵³
Requirements for the prior approval for a representative office

Subchapter II
Expansion of the banking network outside the territory of the Republic of Albania

Article 16
The opening of the branch, subsidiary, agency or representative office

1. ⁵⁴The bank requiring to open a branch, a subsidiary, an agency or a representative office outside the Republic of Albania, shall be granted the prior approval by the Bank of Albania and it shall submit an application in a written form, accompanied by the following documentation:
 - a) for the opening of a branch or an agency:
 - i. the decision of the decision-making organ on the approval of this expansion outside the Republic of Albania,
 - ii. the location and the area for the purpose of carrying out the activity, from the proposed branch or agency,
 - iii. the regulations of the proposed branch or agency, where are defined the activities to be carried out,
 - iv. the business-plan for the branch or the agency for the first three years of the activity,
 - v. the capital amount to be invested abroad, as well as the payments or costs for the purposes of purchase or hire the work premises and equipment, and other operational costs,
 - vi. information about the person/persons proposed as directors of the branch or of the agency, accompanied by a brief description of the respective competences,
 - vii. the expectation of the bank for its financial result following the accomplishment of this expansion and its impact on the financial condition of the bank,
 - viii. the organisational structure of the branch/agency together with the proposed number of employees,
 - ix. the proposed name to be used by the branch, that shall correspond to the bank name,
 - x. information on the deposit insurance scheme in the country where the branch shall be open;
 - xii. the information on the adequacy of the internal control rules and procedures and the information of the bank compliance function, for covering control functions of the branch or agency activity outside the Republic of Albania;
 - xiii. the information on economic and political conditions of the country where the branch or agency shall carry out its activity(ies);

⁵³ Repealed upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

⁵⁴ Amended upon the decision of the Bank of Albania's Supervisory Council, No. 61, dated 24.11.2021.

- xiv. evaluation of the banking and/or financial system features of the country where the branch or agency shall carry out its activity(ies);
- xv. information on the banking supervision scheme in the country where the branch or agency shall carry out its activity(ies).

b) for the opening of a subsidiary:

- i. the decision of the decision-making organ on the approval of this expansion outside the Republic of Albania,
- ii. the location and the area for the purpose of carrying out the activity of the proposed subsidiary,
- iii. the regulations of the subsidiary, where are defined the activities to be carried out,
- iv. the capital amount to be invested abroad, as well as the payments or costs for the purposes of purchase or hire the work premises and equipments, and other operational costs,
- v. information on the adequacy of rules and procedures of the internal control and the compliance function of the bank, to cover the control functions of the subsidiary activity,
- vi. the business-plan of the subsidiary and the expectation of the network expansion impact on the financial condition of the bank, for the first three years of the activity,
- vii. information about the main administrators of the subsidiary,
- viii. information on the key managers of the subsidiary,
- ix. information for the identity, residency or head office as well the commercial data of the last year for each person, who shall own qualifying holding in the subsidiary,
- x. the financial and banking activities the subsidiary expects to carry out,
- xi. the information about the legislation and accounting standards that apply in the country where the subsidiary shall carry out its activity(ies),
- xii. the information on economic and political conditions of the country where the subsidiary shall carry out its activity(ies),
- xiii. the evaluation of the banking and/or financial system features of the country where the subsidiary shall carry out its activity(ies),
- xiv. the information on the banking supervision scheme in the country where the subsidiary shall carry out its activity(ies).

c) for the opening of a representative office:

- i. the decision of the decision-making organ on the approval of this expansion outside the Republic of Albania and of the designation of the person who will be the head of representative office,
- ii. the location and the area for the purpose of carrying out the activity of the proposed representative office,
- iii. the operational regulation of the representative office,
- iv. the capital amount to be invested abroad (if it's applicable), as well as the payments or costs for the purposes of purchase or hire the work premises and equipments, and other operational costs,
- v. information about the person/persons proposed as directors of the representative office, accompanied by a brief description of the respective competences,

- vi. the expectation of the bank for its financial result following the accomplishment of this expansion and its impact on the financial condition of the bank,
 - vii. the expected duration of the activity of the representative office.
2. ⁵⁵Bank of Albania, in addition to the stipulation in paragraph 1, ⁵⁶letter “a” and “b” of this Article, will consider and analyze:
- a) the economic and political conditions of the country where the branch, agency or subsidiary will carry out the activity;
 - b) the features/characteristics of the banking and/or financial system of the country where the branch, agency or subsidiary will carry out the activity;
 - c) scheme of the banking supervision in the country where the branch, agency or subsidiary will carry out the activity, and the ability of the banking supervision authority in that country, to accomplish this function;
 - d) accounting legislation and practices that are applicable in the country where the branch, agency or subsidiary will carry out the activity, ⁵⁷and the legal impediments on providing information from the branch, agency or subsidiary, that are related to the risk assessment, including the money laundering and terrorism financing risk, and to the statistics on the reporting of suspicious transactions;
 - e) ⁵⁸the sectoral and country risks, money laundering and terrorism financing risk and the country assessments by international organisations (such as Moneyval Committee, etc);
 - f) ⁵⁹bank’s ability on integrating the risk administration systems, control and compliance systems in group level, including the money laundering and terrorism financing risk.
3. ⁶⁰The Bank of Albania shall give its prior approval for the opening of the branch, an agency or a subsidiary of the bank outside the Republic of Albania, only after it has been satisfied that after the analysis of the documentation provided in accordance with letter “a” or “b”, of paragraph 1 of this Article and based on the analysis stipulated in paragraph 2 of this article, there are met the criteria set out in paragraph 2, letter “a” of Article 14 of this Regulation.
- 3/1. ⁶¹The Bank of Albania shall give its prior approval for the opening of the representative office outside the Republic of Albania, only after the analysis of the documentation provided in accordance with letter “c”, of paragraph 1 of this Article.
4. The branches of banks that are open outside the territory of the Republic of Albania shall carry out only those activities stipulated in the annex to the license granted to the parent bank.

⁵⁵ Added upon the decision of the Bank of Albania’s Supervisory Council, No. 55, dated 01.10.2014.

⁵⁶ Added upon the decision of the Bank of Albania’s Supervisory Council, No. 61, dated 24.11.2021.

⁵⁷ Added upon the decision of the Bank of Albania’s Supervisory Council, No. 46, dated 3.7.2019.

⁵⁸ Added upon the decision of the Bank of Albania’s Supervisory Council, No. 46, dated 3.7.2019.

⁵⁹ Added upon the decision of the Bank of Albania’s Supervisory Council, No. 46, dated 3.7.2019.

⁶⁰ Amended upon the decision of the Bank of Albania’s Supervisory Council, No. 61, dated 24.11.2021.

⁶¹ Added upon the decision of the Bank of Albania’s Supervisory Council, No. 61, dated 24.11.2021.

Subchapter III
Other prior approvals

Article 17
Change of qualifying holding

1. The Bank of Albania shall approve the changes (purchase, sale or transfer) of the ⁶²direct or indirect qualifying holding of a bank, in accordance with the criteria set out in Article 24, paragraph 1, letters “k” and “l”, and in Article 25 of the Law on banks.
2. The person requesting to own a ⁶³direct or indirect qualifying holding in a bank, shall submit to the Bank of Albania the following documentation:
 - a) the application for the change of the ⁶⁴direct or indirect qualifying holding accompanied by the decision of the Shareholders Assembly of the bank, on the approval of this change;
 - b) the documentation as required in Article 7, paragraph 1, letters “b”, “c” and “d” of this Regulation;
 - c) in the case and whenever due to the change of ⁶⁵direct or indirect qualifying holding, in the share capital of the bank it is included a new shareholder, this latter shall submit the notarized statement by virtue of which it is engaged to preserve the clients’ interests of the bank;
 - d) a copy of the signed agreement/contract or of the legal act on the change of the ⁶⁶direct or indirect qualifying holding;
 - e) ⁶⁷repealed;
 - f) notarized statement relating to the creation source of funds to be used for the payment of the bank capital and the settlement of the possible tax duties for these later , accompanied with the justifying documentation as stipulated in paragraph 2 of Article 13 of the Law “On banks”;
 - g) ⁶⁸the consent of the supervisory authority of the home country on the ownership of this qualifying holding, when the person requiring the ownership or the change of the direct or indirect qualifying holding, is a foreign bank or a licensed foreign financial institution.
 - h) ⁶⁹the business plan in accordance with requirements laid down in Article 7, paragraph 1, letter “e” of this Regulation, in the event a transfer is requested of the ⁷⁰direct or indirect qualifying holding that exceeds 33 or 50% of bank's capital or voting right or at an amount that the bank would become its subsidiary;
 - i) ⁷¹when the person requiring the ownership or the change of the direct or indirect qualifying holding, is a bank or a non-bank financial entity licensed

⁶² Added upon the decision of the Bank of Albania’s Supervisory Council, No. 46, dated 3.7.2019.

⁶³ Added upon the decision of the Bank of Albania’s Supervisory Council, No. 46, dated 3.7.2019.

⁶⁴ Added upon the decision of the Bank of Albania’s Supervisory Council, No. 46, dated 3.7.2019.

⁶⁵ Added upon the decision of the Bank of Albania’s Supervisory Council, No. 46, dated 3.7.2019.

⁶⁶ Added upon the decision of the Bank of Albania’s Supervisory Council, No. 46, dated 3.7.2019.

⁶⁷ Repealed upon the decision of the Bank of Albania’s Supervisory Council, No. 46, dated 3.7.2019.

⁶⁸ Amended upon the decision of the Bank of Albania’s Supervisory Council, No. 46, dated 3.7.2019.

⁶⁹ Added upon the decision of the Bank of Albania’s Supervisory Council, No. 55, dated 01.10.2014.

⁷⁰ Added upon the decision of the Bank of Albania’s Supervisory Council, No. 46, dated 3.7.2019.

⁷¹ Added upon the decision of the Bank of Albania’s Supervisory Council, No. 46, dated 3.7.2019.

by the Bank of Albania, only the documentation required in letters “a”, “c”, “d” and “h” of this paragraph shall be submitted.

3. The Bank of Albania, once the documentation as required is completed, shall publish the announcement for the submitted application for the change of ⁷²direct or indirect qualifying holding of the bank.
4. The Bank of Albania, to assess and analyse the meeting of the requirements set out in this Article, in addition to the administered documentation, ⁷³ shall cooperate with and request information from homologous supervisory authorities and institutions specialised in the fight against economic crime and organized crime and in anti-money laundering, the Financial Supervision Authority, the Competition Authority, the General Directorate of Police, the Directorate of Taxes, etc.
- 4/1. ⁷⁴ The Bank of Albania, throughout the assessment in accordance with paragraph 4 of this article, complies also with the stipulations in paragraph 7 of the Article 8 of this Regulation.
5. The Bank of Albania shall approve or refuse the owing or the change of qualifying holding of the bank’s shares no later than 3 months from the date of submitting the complete documentation.
6. ⁷⁵In addition to the stipulations in Article 25 of the Law on banks, the Bank of Albania shall refuse the transferring of the qualifying holding where it ascertains that the proposed shareholder:
 - a) owns bearer shares or is a nominee shareholder;
 - b) is a shell bank or is associated with a shell bank;
 - c) has a complex ownership and control structure;
 - d) shareholders of the proposed bank represent high risk.

Article 18

Requirements for the documentation relating to the other prior approvals

1. The bank may change its name only after the prior approval in writing from the Bank of Albania. In this case, the bank shall submit the respective application to the Bank of Albania, accompanied by the following documentation:
 - a) the decision of the Shareholders Assembly for the change of the bank name;
 - b) an accompanying report on the content and the reasons for this change.
2. The Bank may change the statute only after the prior approval in writing by the Bank of Albania. In this case, the bank shall submit to the Bank of Albania the respective application accompanied by the following documentation:

⁷² Added upon the decision of the Bank of Albania’s Supervisory Council, No. 46, dated 3.7.2019.

⁷³ Amended upon the decision of the Bank of Albania’s Supervisory Council, No. 46, dated 3.7.2019.

⁷⁴ Added upon the decision of the Bank of Albania’s Supervisory Council, No. 46, dated 3.7.2019.

⁷⁵ Added upon the decision of the Bank of Albania’s Supervisory Council, No. 46, dated 3.7.2019.

- a) the decision of the Shareholders Assembly for the change of the statute;
 - b) the draft-statute or the draft articles of the statute proposed to be changed; and
 - c) an accompanying report on the content and reasons for this change.
3. In case the changes in the bank statute correlate to its capital increase through liquid assets, the respective application shall be submitted to the Bank of Albania, which shall give the approval for this proposal, once it is accomplished the capital increase.
 4. The bank may decrease the capital only after the approval in writing of the Bank of Albania. In this case, the bank shall submit to the Bank of Albania the respective application accompanied by the following documentation:
 - a) the decision of the Shareholders Assembly for the decrease of the capital;
 - b) an accompanying report stating the reasons for this change;
 - c) The financial effects of the capital decrease in the financial state of the bank (accounting balance, financial statements etc), accompanied by the opinion of the statutory auditor.
 5. The bank may distribute its capital only upon the approval in writing of the Bank of Albania. In this case the bank shall submit to the Bank of Albania:
 - a) the decision of the Shareholders Assembly for the distribution of the capital;
 - b) an accompanying report about the distribution of shares and the reasons for this allocation;
 - c) the agreements between the shareholders and/or third parties for the distribution of shares;
 - d) the financial impacts of the capital distribution on the financial state of the bank (accounting balance, financial statements, etc) accompanied by the opinion of the statutory auditor.
 6. The bank may increase the capital through non-liquid assets only upon the prior approval of the Bank of Albania. In this case the bank shall submit to the Bank of Albania:
 - a) the decision of the Shareholders Assembly for the increase of the capital;
 - b) an accompanying report on the change size, the way and reasons for this change;
 - c) a statement of the shareholders that the non-liquid capital shall not be part of the regulatory capital of the bank for the purposes of calculating the capital adequacy ratio;
 - d) the assessment report of non-liquid asset/assets carried out by a licensed appraiser for the assessment of real estates.
 7. The bank may repurchase its own shares or those of its connected persons, directly or through another person, by granting credits or issuing guarantees, only with the approval of the Bank of Albania. In this case, the bank shall submit to the Bank of Albania:
 - a) the decision of the Shareholders Assembly for the repurchase of shares
 - b) an accompanying report on the change and the reasons for this change;

- c) the respective agreements agreed with third parties for the credit/credits and/or the guarantee/guarantees for the repurchasing of shares.
8. The bank may conduct intermediation in insurance and reinsurance as stipulated in ⁷⁶Law No. 52/2014 dated 22.5.2014 "On insurance and reinsurance", after prior approval from the Bank of Albania and after complying with all the legal requirements stipulated in the Law on the conduct of this activity. In this case, the bank shall submit to the Bank of Albania the following:⁷⁷
- a. Application of the bank to be involved in the financial activity, providing an explanation on the activity it shall conduct, the level of undertaken risk, and the category of clients to whom this service shall be provided;
 - b. Decision taken by the respective decision-making authority of the bank or branch of a foreign bank, approving the conducting of the financial activity;
 - c. The amended statute⁷⁸, when the statute encompasses a provision, which sets out the object of this activity;
 - d. Business plan to carry out such activity⁷⁹;
 - e. Internal rules and procedures related to the conduct and auditing of this activity.
9. ⁸⁰The bank may invest more than 15% of its regulatory capital in the capital of a legal person that does not conduct banking activity, upon the prior approval by the Bank of Albania. In that case, the bank will submit the respective application to the Bank of Albania, along with the following documents:
- a) the decision of shareholders' assembly of the bank on the investment in the financial institution's equity.
 - b) the accompanying report with the content of the proposed investment, and the strategy of the bank;
 - c) way of realization, the amount and reasons for this investment;
 - d) the agreement signed between the bank and the financial institution for participation in capital;
 - e) the forecast on the supervisory indicators due to the investment (capital adequacy, regulatory capital, exposure) and the financial effects.
10. ⁸¹The Bank of Albania shall interrupt the procedures of analysing the application for approval, in the event the required data and/or documentation for approval are not completed by the entity within 6 (six) months after the initial application for approval. In the event of interrupting the evaluation procedure of application for approval, the Bank of Albania will inform the entity in writing. The entity will have the right to request the resumption of the prior approval process upon providing the new documentation.
11. The Bank of Albania may require, on a case-by-case basis, additional documents or information, if deeming necessary, in addition to that stipulated in this Article.

⁷⁶ Amended upon the decision of the Bank of Albania's Supervisory Council, No. 55, dated 01.10.2014.

⁷⁷ Amended upon the decision of the Bank of Albania's Supervisory Council, No. 28, dated 16.05.2012.

⁷⁸ Amended upon the decision of the Bank of Albania's Supervisory Council, No. 55, dated 01.10.2014.

⁷⁹ Amended upon the decision of the Bank of Albania's Supervisory Council, No. 55, dated 01.10.2014.

⁸⁰ Added upon the decision of the Bank of Albania's Supervisory Council, No. 55, dated 01.10.2014.

⁸¹ Added upon the decision of the Bank of Albania's Supervisory Council, No. 55, dated 01.10.2014.

Subchapter IV
The obligation for notification

Article 19
Requirements relating to the obligations for notification

1. The bank shall notify the Bank of Albania within 30 days for the increase of capital through liquid assets. In this case, the bank shall submit to the Bank of Albania the following documentation:
 - a) the decision of the Shareholders Assembly for the increase of the capital;
 - a/1) ⁸²an accompanying report on capital increase;
 - b) the notarized declaration relating to the creation source of the capital accompanied by the justifying documentation in accordance with the stipulation set out in paragraph 2 of Article 13, of the Law on banks.

2. The bank shall notify the Bank of Albania within 30 days for the changes in the capital' structure. In this case the bank shall submit to the Bank of Albania:
 - a) the act for the respective legal action (sale-purchase agreement, testament) that following shall bring about the changes in the capital structure;
 - b) the decision of the bank steering organ on granting the approval for the transfer of the shares' ownership (if applicable);
 - c) the accompanying report for the changes in the capital structure;
 - d) notarized declaration ⁸³of the beneficiary shareholder(s) relating to the creation source of the capital accompanied by the justifying documentation in accordance with the stipulation set out in paragraph 2, of Article 13, of the Law on banks;
 - e) ⁸⁴certification on beneficiary shareholders, issued by competent authorities in accordance with the relevant jurisdiction, that:
 - a) the person is not under a criminal prosecution (where applicable);
 - b) the person is not subject of any judgment for criminal offence committed (where applicable);
 - c) the person has never been convicted for committing criminal offence (where applicable);
 - d) the person is not under an obligatory execution process for unpaid obligations based on wealth;
 - e) the person is not subject of any insolvency, bankruptcy or liquidity procedures, etc. (where applicable).

The aforementioned certificates shall be issued no earlier than 3 months following the date of the application submission to the Bank of Albania.

⁸² Added upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

⁸³ Added upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

⁸⁴ Added upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

3. The bank shall notify the Bank of Albania within 30 days for the changes of the legal seat (head office) and/or of its location/address where its branches or agencies carry out their activity ⁸⁵and will submit the documentation laid down in paragraph 5, Article 14 of this Regulation, to the Bank of Albania.
 4. The Bank of Albania, once receiving the notification for the change of the location/address of exercising the activity of the bank' branches or agencies, may accomplish an on-site inspection for the meeting of the requirements set out in paragraph 5, of Article 14 of this Regulation.
 5. ⁸⁶Bank of Albania may refuse the bank to provide cross-border banking and/or financial services abroad as informed by the bank, if the Bank of Albania deems that:
 - a) adequate systems are not established for the continuing management of risk arising from these services, which include, but are not limited to such factors as:
 - i. risk of the country where this service will be provided;
 - ii. compliance risk (legal risk);
 - iii. legal and regulatory framework of the country where this service will be provided;
 - iv. accounting standards of the country where this services will be provided;
 - v. profitability and challenges in providing such service;
 - b) the requirements for the publication of the needed information for such service to clients are not implemented, according to the following categories:
 - i. name of the bank and location of head office (or local offices if applicable);
 - ii. supervisory authority of the country of origin;
 - iii. means of contacts for clients with the centre of service for clients related to the problems on the service to clients, for claims; etc.;
 - iv. possibility to access the out-of-court solution schemes for clients' claims;
 - v. any kind of information that may be requested or needed in accordance with the jurisdiction of the country where this service will be provided.
- and
- c) in any event:
 - i. core capital of the bank, due to the supplying of this service, falls below the paid-in minimum capital required by the Bank of Albania;
 - ii. ⁸⁷the most recent overall assessment of bank, according to Risk Assessment System, ⁸⁸is "poor" or "critical";
 - iii. capital adequacy ratio of the bank, upon the supplying of this service, falls below the minimum required rate;

⁸⁵ Added upon the decision of the Bank of Albania's Supervisory Council, No. 55, dated 01.10.2014.

⁸⁶ Added upon the decision of the Bank of Albania's Supervisory Council, No. 55, dated 01.10.2014.

⁸⁷ Amended upon the decision of the Bank of Albania's Supervisory Council, No.15, dated 03.02.2016.

⁸⁸ Amended upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

- iv. supplying this service threatens the financial, supervisory position or the operational continuation of the bank, based on the forecasts for the first three years for such kind of service.

Chapter V Reorganisation of the bank

Subchapter I Merger

Article 20 Requirements relating to the documentation for the merger by absorption

1. The bank shall not be reorganised through the merger by absorption without the prior approval in writing from the Bank of Albania.
2. The application for approval is made in writing by the absorbing bank, ⁸⁹(in accordance with the form no. 1/1, integral part of this regulation) and is accompanied with the following documentation:
 - a) the decision of the Shareholders Assembly of each bank involved in the operation for the approval of their reorganisation through the merger by absorption;
 - b) The agreement/draft and the detailed report of the merger operation by absorption, signed by the legal representatives of banks involved in the merger. The agreement and the report are compiled in writing and in compliance with the requirements set out in the Law “On traders and commercial companies” and the other applicable legislation;
 - c) the report of the independent licensed experts of various fields, to assess the terms of the merger draft-agreement;
 - d) the draft-statute of the bank after the accomplishment of the merger operation by absorption;
 - e) the strategic and operational plans to accomplish the absorption, where are included the needed analyses of the absorption and the expectations of the financial statements for the absorbing bank, prepared in accordance with Article 7, paragraph 1, letter “e” of this Regulation;
 - f) in case of changes in the organizational structure of the absorbing bank, the new organizational structure shall contain a particular description of the work and responsibilities of individuals bearing special rights and responsibilities and the possible number of employees;

⁸⁹ Added upon the decision of the Bank of Albania’s Supervisory Council, No. 46, dated 3.7.2019.

- g) in case of changes for the administrators of the absorbing bank, there shall be submitted the documentation in accordance with the requirements set out for the administrators in the Law “ On Banks in the Republic of Albania” and in the by-laws of the Bank of Albania;
- h) the new structure of the absorbing bank’s shareholders, including the direct and indirect shareholders;
- i) the balance-sheet of the absorbing bank and detailed data for its own share capital prepared on consolidated basis and certified by a statutory auditor;
- j) ⁹⁰a description on the adequacy of the risk administration system, including the money laundering and terrorism financing risk of the absorbing bank, taking into consideration the potential risks that might arise throughout the merger by absorption process, and a description on how the risk administration systems shall be integrated within a reasonable time frame.

Article 21

Requirements relating to the documentation for the merger by creation

1. The bank shall not carry out the reorganisation through the merger by creation without the prior approval in writing of the Bank of Albania.
2. The application for approval is made in written form by the existing banks ⁹¹(in accordance with the form no. 1/1, integral part of this regulation) and is accompanied by the following documentation:
 - a) the decision of the Shareholders Assembly of each bank involved in the operation for the approval of their reorganisation through the merger by creation;
 - b) the agreement/draft and the detailed report of the merger operation, signed by the legal representatives of banks to be merged, who shall meet the requirements stipulated in the Law “On traders and commercial companies” and the other applicable legislation;
 - c) the report issued by the independent licensed experts of various fields, to assess the terms of the merger draft-agreement;
 - d) the balance-sheet of the new bank with detailed data for the share capital prepared on consolidated basis and certified by the statutory auditor;
 - e) ⁹²a description on the adequacy of risk administration system of the new bank, including the money laundering and terrorism financing risk, taking into consideration also the potential risks that might arise throughout the merger by

⁹⁰ Added upon the decision of the Bank of Albania’s Supervisory Council, No. 46, dated 3.7.2019.

⁹¹ Added upon the decision of the Bank of Albania’s Supervisory Council, No. 46, dated 3.7.2019.

⁹² Added upon the decision of the Bank of Albania’s Supervisory Council, No. 46, dated 3.7.2019.

creation process, and a description on how the risk administration systems shall be integrated within a reasonable time frame.

Subchapter II Separation

Article 22 Requirements relating to the documentation for the separation by creation

1. The Bank shall not carry out the reorganisation through the separation by creation without the prior approval in writing of the Bank of Albania.
2. The application for approval is made in writing by the bank to be separated ⁹³(in accordance with the form no. 1/1, an integral part of this regulation) and is accompanied by the following documentation:
 - a) the decision of the Shareholders Assembly of the bank to be separated for the approval of reorganisation operation through the separation by creation;
 - b) the agreement/draft and the detailed report of the separation action, signed by the legal representatives of banks being involved in this operation, which is prepared in accordance with the requirements stipulated in the Law “On traders and commercial companies” and the other applicable legislation;
 - c) the report of the independent licensed experts of various fields, to assess the terms of the separation draft-agreement;
 - d) the balance-sheets of the new expected banks with detailed data for the share capital prepared on consolidated basis and certified by a statutory auditor;
 - e) in case the capital of the bank to be separated does not meet the minimum initial capital required for the expected banks, attained due to the separation processes, there shall be deposited additional needed funds in a deposit account with the Bank of Albania;
 - f) ⁹⁴a description on the adequacy of risk administration system of the new receiving banks, including the money laundering and terrorism financing risk, taking into consideration also the potential risks that might arise throughout the separation by creation process.

⁹³ Added upon the decision of the Bank of Albania’s Supervisory Council, No. 46, dated 3.7.2019.

⁹⁴ Added upon the decision of the Bank of Albania’s Supervisory Council, No. 46, dated 3.7.2019.

Article 23

Requirements relating to the documentation for the separation by absorption

1. The bank shall not carry out the reorganisation through the merger by absorption without acquiring the prior approval in written form of the Bank of Albania.
2. The Bank to be separated ⁹⁵(in accordance with the form no. 1/1, integral part of this regulation) shall make the application for approval in writing and shall be accompanied by the following documentation:
 - a) The decision of the Shareholders Assembly of each bank involved in the operation for the approval of their reorganisation through the separation by absorption;
 - b) the agreement/draft and the detailed report of separation action, signed by the legal representatives of the banks involved in this operation, which are prepared in accordance with the requirements stipulated in the Law "On trader and commercial companies" and the other applicable legislation;
 - c) the report issued by the licensed experts of various fields, to assess the terms of the separation draft-agreement;
 - d) the strategic and operational plan to accomplish the separation, that includes the needed analyses of separation and estimations of the financial reports, prepared regarding the bank to be separated and the expected banks;
 - e) the new organizational structure with a special description of the work and responsibilities of individuals having special rights and responsibilities and the possible number of employees;
 - f) the balance-sheets of the bank to be separated and of the newly established banks containing detailed data of their own share capital. The balance-sheets are prepared on consolidated basis and certified by a statutory auditor;
 - g) the new structures of the expected bank, including both direct and indirect shareholders, if after the separation there are changes in the shareholders' structure of the bank;
 - i) The data set out in Article 7, paragraph 1, letter, "e" of this Regulation for the business plan of the expected banks.
 - j) ⁹⁶a description on the adequacy of risk administration system of the new receiving banks, including the money laundering and terrorism financing risk, taking into consideration also the potential risks that might arise throughout the separation by absorption process.

⁹⁵ Added upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

⁹⁶ Added upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

Article 24
General requirements for the merger and separation

1. In cases the mergers or separations lead to the creation of at least one new bank, this latter shall implement all the regulations to acquire as a so recent license, in accordance with the Law on Banks and the requirements set out in this Regulation.
2. The Bank of Albania, after receiving the application for the approval of the merger/separation, shall publish the respective announcement for the application as submitted by the bank.
3. The Bank of Albania, in addition to the documentation set out in this Regulation, may request additional, on a case by case basis, that it deems necessary for the decision-making process due to the specifications this latter imposes.
4. The Bank of Albania, once analysing and verifying the submitted documentation, shall decide on the approval or refusal of the bank reorganisation.
5. The Bank of Albania shall approve those mergers/separations, which in addition as defined in this Regulation do not violate the legal obligations relating to the protection of competition in the banking market and to not threat the depositors' position.
6. The maximum term for the analysing of the documentation and for the approval or refusal of the merger/separation is three months from the date of depositing the complete documentation, in accordance with the requirements set out in this Regulation.
7. In the case of the merger by absorption, the absorbing bank shall continue to carry out only those banking and financial activities for which this latter is being licensed.
8. In the case of the separation by absorption the expecting bank/banks shall continue to exercise solely the banking and financial activity for which it is being granted the license.
9. In special cases of merger by absorption laid down in Article 225 of the Law No.9901, dated 14.04.2008 "On traders and commercial companies", the documentation required for the approval of the reorganisation shall be submitted in accordance with the stipulations of this Article.

Article 24/1⁹⁷
Re-assessment process of the shareholders

1. Banks conduct the re-assessment of the suitability of the shareholders, approved by the Bank of Albania, at least once a year, as well as when deemed necessary, based on specific circumstances or facts.

⁹⁷ Added upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

2. Through the re-assessment process of the suitability of the approved shareholders, banks shall ensure the ongoing fulfillment of the criteria laid down in this regulation, and report to the Bank of Albania, the outcomes of the re-assessment process, annually, within the first quarter of the following year.
3. Banks shall document the re-assessment process of the suitability of the shareholders, and shall predict the obligation for all shareholders who must notify the bank of any circumstance or fact that has a significant impact on their suitability or confirm, at least once a year, that the data on which a prior approval has been granted by the Bank of Albania, have not been changed.
4. Where the banks conclude that the terms are not met by shareholders for whom prior approval has been granted, they shall promptly inform the Bank of Albania, no later than within 5 business days from the conclusion.
5. Following the notification in accordance with paragraph 4 of this Article, as well as where it concludes this fact while conducting its oversight process, the Bank of Albania deems when taking the measures set out in Article 25, paragraph 8 of the Law on banks.

Article 24/2⁹⁸
Requirements on agents

1. When the bank, only in capacity of a payment service provider, intends to provide payment services through the agent, apart from the provisions in article 21 of the Law "On payment services", submits to the Bank of Albania the following information/documentation:
 - a) information according to form no. 16 of this regulation;
 - b) for the agent, different from payment services providers, the following certificates issued by the competent authorities, according to their territorial jurisdiction that certify:
 - i. that the person is not under criminal investigation;
 - ii. that the person is not standing trial for a criminal offence;
 - iii. that the person is not criminally convicted (by the Ministry of Justice);
 - iv. that the person is not under a mandatory execution process (as certified by the Bailiff's Office);

The aforementioned documents must be issued no earlier than 3 (three) months from the date of the application submission to the Bank of Albania.

2. The bank keeps in separate files, the certificates provided in letter "b" of paragraph 1 of this article, for the administrator and persons responsible for the administration of the activity of payment services of that the agent will perform on behalf of the bank.

⁹⁸ Added upon the decision of the Bank of Albania's Supervisory Council, No. 61, dated 24.11.2021.

3. The requirements established in this article are applicable to the licensing process of the bank and in cases of new agents.

Chapter VI Final provisions

Article 25 Penalizing and supervisory measures

The Bank of Albania, in case of failure to meet the obligations laid down in this Regulation, shall implement the supervisory and/or penalizing measures set out ⁹⁹in Chapter VI of the Law on Banks.

Article 26 Transitory provisions

This regulation shall be implemented only for the procedures started after its entry into force. The registration date of the application or of the respective notification at the Bank of Albania shall be considered as the starting date of these procedures

Article 27 Final provisions

The attached forms are an integral part of this Regulation.

CHAIRMAN OF THE SUPERVISORY COUNCIL

Ardian Fullani

⁹⁹ Amended upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

APPLICATION
TO
THE BANK OF ALBANIA
RELATING TO THE AUTHORITY FOR GRANTING A LICENSE
TO CARRY OUT BANKING ACTIVITY
IN ACCORDANCE WITH ARTICLE 19, LAW NO. 9662 DATED 18.12.2006
"ON BANKS IN THE REPUBLIC OF ALBANIA"

Name of the proposed bank

Bank: _____

(the proposed location: Address)

_____, Albania

(City)

(District)

By the virtue of this application we address to the Bank of Albania, by providing any information as requested by this latter, to grant a license to carry out banking and financial activity in the Republic of Albania.

For the purpose of carrying out the proposed activity we shall implement the Law "On banks in the Republic of Albania" and the Albanian legislation.

We think to name the proposed as stated above for:

Applicant

P.s. The application accompanied with the documents and forms required in accordance of this Regulation shall be submitted to the following address:

Departamenti i Mbikëqyrjes
Banka e Shqipërisë
Sheshi Skënderbej Nr. 1
Tiranë, Shqipëri.

**DECISION
OF
THE STEERING COUNCIL
ON THE ASSIGNMENT OF THE CONTACT PERSON**

The proposed Steering Council shall certify that, as we believe, the information provided in this application is true and complete. Furthermore, the proposed Steering Council appoints and assigns as contact person:

(First Name) (Father's name) (Last name)

Address:

(Street, Number) (City) (Country)

_____ (Telephone number)

_____ (Fax/telex number)

_____ (Electronic mail address)

The contact person shall be authorised to represent the proposed bank and to be present for the purposes of signing to the Bank of Albania, except when the Bank of Albania, shall request individual actions to be carried out by the members of the Steering Council. The contact person is authorised to do everything necessary, as completely as possible and to meet all the goals and objectives as the signatory would have done if applying and receiving personally all the correspondence and the documents by the Bank of Albania.

The assigned contact person may be changed by a resolution signed by the majority of signatories, a resolute to be certified at the Bank of Albania by the signatories for the same thing.

Date _____,

(Name surname) of the council members

(Signature)

Note: This form shall be certified by a public notary.

APPLICATION
TO
BANK OF ALBANIA
REGARDING THE REORGANISATION OF THE BANK

Reorganisation type:

- Merger by absorption
- Merger by creation
- Separation by creation
- Separation by absorption

- Name of the absorbed/merged bank
- Name of the separated bank

Bank: _____

Bank:

(Address)

(Address)

Albania (City) (District)

Albania (City) (District)

- Name of the absorbing bank/ to be created
- Name of the expecting banks

Bank: _____

Bank:

(Address)

(Address)

Albania (City) (District)
(District)

Albania (City)

By the virtue of this application we address to the Bank of Albania, providing any information this latter requests, to grant the approval for the reorganisation of the bank/banks.

We are committed to implement the Law "On banks in the Republic of Albania" and the Albanian legislation during the exercise of the activity we propose to carry out.

We think to name the proposed Bank as above stated, for:

Applicants

P.s. The application accompanied with the required documentation and the forms based on this Regulation shall be submitted to the following address:

**Departamenti i Mbikëqyrjes
Banka e Shqipërisë
Sheshi Skënderbej Nr. 1
Tiranë, Shqipëri.**

**PRESS RELEASE OF THE APPLICATION
SUBMITTED TO THE BANK OF ALBANIA**

**TO ACQUIRE THE LICENSE FOR THE PURPOSE TO CARRY OUT BANKING
AND FINANCIAL ACTIVITY IN THE REPUBLIC OF ALBANIA**

Applicants (names of persons)

1. _____ address _____
2. _____ address _____
3. _____ address _____
4. _____ etc.

Our purpose is the establishment of a joint bank, for we have submitted an application to the Bank of Albania to acquire a license to carry out banking activity in the Republic of Albania.

The documentation regarding the reputation, the activity, the experience and the information relating to the projects we have for the conduction of the banking activity, is provided to the Bank of Albania.

The Bank of Albania, to take its decision, shall take account a range of factors, among which even if the proposed bank shall meet the needs of the community for credit.

We invite you to present your comments regarding this application, in written form, submitted to the following address:

Banka e Shqipërisë
Departamenti i Mbikëqyrjes
Sektori i Licencimit, Rregullimit dhe Standardeve
Sheshi "Skënderbej" nr.1 Tiranë.

The Bank of Albania is interested to know your opinion and to consider each comment for this application.

Publication date

GENERAL INFORMATION

1. Name of the proposed bank _____

2. Location of the proposed bank _____

3. The proposed separation of the subscribed capital:

Share capital: (Fare value in LEK

Number of issued shares since the opening: _____

4. Steering Council of the bank (proposed):

(Name surname)

(City/ Country)

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

5. The proposed executive directors of the bank:

Name surname
mail

Address: city/country/electronic

Current employment

President/General Director

Assistant to the General Director

List of the bank's shareholders

Direct shareholders	Number of the proposed shares	Percentage of the proposed shares	Value of the proposed shares

Note: You may continue on next page, if needed.

Form No.5**Structure of the bank's shareholder**

No.	Name of the shareholder	Number of shares	Value of shares (in LEK)	Direct participation in the bank capital (in percent)	Direct participation in the bank capital (in percent)	Total Participation (in per cent)
1						
2						
3						

Note: You may continue on other lines if needed.

¹⁰⁰In the information according to the form No.5, shall be stated whether this shareholder structure of the bank comprises the shares mentioned in letters "f" and "g", paragraph 2 of Article 4 of this Regulation.

¹⁰⁰ Added upon the decision of the Bank of Albania's Supervisory Council, No. 46, dated 3.7.2019.

This form shall be filled by the direct shareholders who are trading natural persons or individuals.

CURRICULUM VITAE

1. Personal data

First name:

Last name:

Date of birth:

Place of birth:

Citizenship:

Nationality:

Address of current residency:

Social number of insurance (if applicable) ____/____/____

Passport number

Place of issue:

Identification card of their place:

Civil status: !___! Married !___! Single !___! Divorced

Full name of the spouse:

Full names of the family members:

2. Education

Please start with the secondary education

1. Name and address of the institution	
Dates of conducting the studies	19xx - 19xx
Acquired diploma or certificate	
2. Name and address of the institution	
Dates of conducting the studies	19xx - 19xx
Acquired Diploma or certificate	

3. Knowledge of foreign languages

Foreign language	Reading	Speaking	Writing

Please provide the assessment by using the numbers from 5 - 1 (5 = very well, 4 = well, 3 = sufficiently etc.).

4. Participation in steering councils/professionals associations

5. Accomplished training courses

6. Professional experience

Provide a detailed description of the employment. Please start with the last employer.

Period of employment (month/year – month/year)	
Nature of employment	a. employed <input type="checkbox"/> b. self-employed <input type="checkbox"/> c. unemployed <input type="checkbox"/> d. full-time studies <input type="checkbox"/>
Name and address of the employer	
Nature of business (public or private)	
Position (name of your job position)	
Responsibilities (detailed)	
Reasons for leaving	a. Resignation <input type="checkbox"/> b. Cut of the job position <input type="checkbox"/> c. Retire <input type="checkbox"/> d. Completion of the work contract <input type="checkbox"/> e. Dismissal <input type="checkbox"/> f. Others <input type="checkbox"/> Give specifications
Period of employment (month/year – month/year)	
Nature of employment	a. employed <input type="checkbox"/> b. self-employed <input type="checkbox"/> c. unemployed <input type="checkbox"/> d. full-time studies <input type="checkbox"/>
Name and address of the employer	
Nature of business (public or private)	
Position (name of ten job position)	
Responsibilities (detailed)	
Reasons for leaving	a. Resignation <input type="checkbox"/> b. Cut of the job position <input type="checkbox"/> c. Retire <input type="checkbox"/> d. Completion of the work contract <input type="checkbox"/> e. Dismissal <input type="checkbox"/> f. Others <input type="checkbox"/> Give specifications

Period of employment (month/year – month/year)	
Nature of employment	a. employed <input type="checkbox"/> b. self-employed <input type="checkbox"/> c. unemployed <input type="checkbox"/> d. full-time studies <input type="checkbox"/>
Name and address of the employer	
Nature of business (public or private)	
Job-position (name of your job-position)	
Responsibilities (detailed)	
Reasons for leaving	a. Resignation <input type="checkbox"/> b. Cut of the job position <input type="checkbox"/> c. Retire <input type="checkbox"/> d. Completion of the work contract <input type="checkbox"/> e. Dismissal <input type="checkbox"/> f. Others <input type="checkbox"/> Give specifications

CRIMINAL OFFENCES AND DISCIPLINARY MEASURES

7) Have you ever been arrested, sued and/or condemned for a criminal offence committed?

No

Yes

If YES - Provide a copy of the complaint for the case and for each case subject of a process, and provide as follows, regarding all the cases under a process as well as the previous ones: The name and addresses of the agency responsible for the implementation of the Law, the address of the court location, number of the case file, the nature of punishment, date of punishment accomplishment, the statute of the case and the provision.

If NO- Provide a certificate issued by the authorities charged with the implementation of the Law where it is certified you have never been arrested, defendant and/or condemned for a criminal offence.

8) Have you ever been sued or condemned for avoiding the payment of taxes?

No !___!

Yes !___!

If YES- Provide special details regarding to this procedure and the charged penalties.

If NO- Provide a certificate issued by the taxations authorities that certify you have never been sued or condemned for avoiding the payment of taxes.

9) Are you related with a business or enterprise as official, director or owner of 10 per cent or more of the shares in circulation, being sued for criminal infringements or which is bankrupted or has worked out of the agreement with creditors?

No !___!

Yes !___!

If YES- Give the name of the activity or of the enterprise, your interest in this business, the location of the court and the file number, the date of accomplishing the condemnation, nature of condemnation, the status of the case and the provision.

DIFFERENT INFORMATION

10) The list of a business activity (corporate, participation or join-venture enterprise,) with which you are related as an employee, a director, an administrator or an owner, who owns 10 per cent or more shares in circulation. Including the name and location of each businesses, the nature of the business, the respective relationships, and the percentage of shares in circulation that you own, in case of owing such and the date of your relationship establishment.

11) Provide financial reports regarding the businesses noted in point 10.

Name and surname of the proposed shareholder.
(signature)

Date

**THE FORESEEN BALANCE SHEET OF THE BANK
AT THE MOMENT OF STARTING THE ACTIVITY
(ACCOUNTING BALANCE OF THE BANK OPENING)**

Name of the proposed bank: _____

Assets

TOTAL ASSETS

TREASURY AND INTERBANK TRANSACTIONS

Monetary assets

Correspondents with the Central Bank

Mandatory reserve at the Central Bank

Other

Treasury bills and other acceptable bills for refinancing purposes with the Central bank

Treasury bills

Other acceptable bills for refinancing purposes

Reserve funds for the depreciation of bills adequate for refinancing from the Central Bank

Correspondents with banks, credit institutions and other financial institutions

Current accounts

Deposits with banks, credit institutions and with other financial institutions

Loans

Other

TRANSACTIONS WITH CLIENTS

Short-term loans

Medium-term loan

Long -term loans

Real estates loans

Leasing contracts

SECURITIES TRANSACTIONS

Fixed income securities

Variable income securities

Sold & purchased securities in accordance under the Repurchasing Agreements

Paid collateral

Received primes

CREATED RESERVE FUNDS

Reserve funds to cover losses from loans (principal)

Reserve funds to cover losses from loans (accrued interest)

Reserve funds for investments

OTHER ASSETS

Other assets

Transactions as agent

Correspondent account

Pending accounts, from re-evaluation

Pending account

Re-evaluation account

Value added tax

FIXED ASSETS

Subsidiary investments

Subsidiaries

Fixed assets (net)
ACCRUED INTEREST
Total assets denominated in foreign currency
Total assets non-resident

Liabilities

TOTAL LIABILITIES
TREASURY AND INTERBANK TRANSACTIONS
Central Bank
Treasury Bills & other acceptable bills
Current accounts
Deposits from banks, financial institutions etc.
Loans
Other
TRANSACTIONS WITH CLIENTS
Current accounts
Demand deposits
Time deposits
Deposit certificates
Loans
Other
SECURITIES TRANSACTIONS
Debts represented by securities
Purchased and sold securities with REPO
Guarantees for securities transactions
Primes for financial instruments
OTHER LIABILITIES
Other liabilities
Transactions as agent
Correspondent account
Pending account, re-evaluation
Discounts account
Re-evaluation account
Value added tax = (form. 21) 46
PERMANENT SOURCES
Government grants and financing
Specific reserve funds
Reserve funds for risks and expenses
Specific reserve funds
Subordinated debts
Shareholders own capital
Paid-in-capital
Primes of shares
Reserves
Re-evaluation difference
Retained profit or loss
Profit (loss) of the current year
ACCRUED INTERESTS
Total liabilities denominated in foreign currency
Total liabilities non-resident

THE FORESEEN BALANCE SHEET OF THE BANK**PROVIDED FOR THE FIRST THREE YEARS OF THE ACTIVITY**

Name of the proposed bank: _____

Assets

	Year 1	Year 2	Year 3
TOTAL ASSETS			
TREASURY AND INTERBANK TRANSACTIONS			
Monetary assets			
Correspondents with the Central Bank			
Mandatory reserve at the Central Bank			
Other			
Treasury bills and other acceptable bills for refinancing purposes with the Central Bank			
Treasury Bills			
Other acceptable treasury bills for refinancing purposes			
Reserve funds for the depreciation of bills acceptable for refinancing with the Central Bank			
Correspondents with banks, credit and other financial institutions			
Current accounts			
Deposits in banks, credit institutions and other financial institutions			
Loans			
Others			
TRANSACTIONS WITH CLIENTS (Gross)			
Short-term loans			
Medium-term loans			
Long-term loans			
Loans for real estates			
Leasing contracts			
TRANSACTIONS WITH SECURITIES			
Fixed income securities			
Variable income securities			
Sold & repurchased securities under the Repurchasing Agreements			
Paid-in collateral			
Received primes			
CREATED RESERVE FUNDS			
Reserve funds to cover losses from loans (principal)			
Reserve funds to cover losses from loans (accrued interest)			
Reserve funds for investments			
OTHER ASSETS			
Other assets			
Transactions as agent			
Correspondents account			
Pending account, re-evaluation			
Pending account			
Re-evaluation account			
Value added tax			
FIXED ASSETS			

Subsidiary investments			
Subsidiaries			
Fixed assets (net)			
ACCRUED INTERESTS			
Total assets denominated in foreign currency			
Total assets non-resident			
Liabilities			
TOTAL LIABILITIES			
INTERBANK AND TREASURY TRANSACTIONS			
Central Bank			
Treasury Bills & other acceptable bills			
Current accounts			
Deposits with banks, financial institutions etc.			
Loans			
Other			
Transactions with clients			
Current accounts			
Demand deposits			
Time deposits			
Deposit certificates			
Loans			
Other			
SECURITIES TRANSACTIONS			
Debts backed by securities			
Purchased and sold securities under REPO			
Guarantees for securities operations			
Primes for financial institutions			
OTHER LIABILITIES			
Other liabilities			
Transactions as agent			
Correspondents account			
Pending account of re-evaluation			
Discounts account			
Re-evaluation account			
Value added tax = (form. 21) 46			
Permanent sources			
Government grants and financing			
Specific reserve funds			
Reserve funds for risks and expenses			
Specific reserve funds			
Subordinate debt			
Shareholders own capital			
Paid-in capital			
Primes of shares			
Reserves			
Revaluation reserve			
Retained profit or loss			
Profit (loss) of current year			
Accrued interests			
Total liabilities denominated in foreign currency			
Total liabilities non-resident			

FORECAST OF INCOMES AND EXPENSES**THIS IS PROVIDED FOR THE FIRST THREE YEARS OF THE ACTIVITY**

Name of the proposed bank: _____

LOSSES FROM THE BANKING ACTIVITY	Year 1	Year 2	Year 3
<i>Interest expenses</i>			
For treasury and interbank transactions			
For the transactions with clients			
For debts backed by securities			
For subordinated debts			
For securities sold under the Repurchase Agreements			
Other			
<i>Losses from securities and financial transactions</i>			
Losses from treasury bills and from the other acceptable bills for refinancing with the Central Bank			
Losses from tradable securities			
Losses from held-to maturity securities			
Losses from investment securities			
Losses from the transactions with other securities			
Losses from tradable securities			
Losses from held-to maturity securities			
Losses from investment securities			
Other expenses from financial transactions			
<i>Commissions</i>			
For treasury and interbank transactions			
For the transactions with clients			
For debts backed by securities			
For subordinate debts			
For securities sold under Repurchase Agreements			
Commissions for banking services			
Other commissions			
<i>Expenses for leasing transactions</i>			
<i>Other expenses of the banking activity</i>			
<i>Losses from the operations denominated in foreign currency</i>			
Personnel expenses			
Additional taxes to the income taxes			
General losses from the activity			
Amortisation and reserve funds for the depreciation of fixed assets			
Amortisation expenses			
Reserve funds			
Losses from receivable uncollectable expenses accounts for reserve funds			
Extraordinary expenses			
Income tax			
Profit of the current year			

TOTAL EXPENSES			
BANKING ACTIVITY INCOME			
<i>Interest income</i>			
For treasury and interbank transactions			
For the transactions with clients			
Securities interests purchased under the Repurchase Agreements			
Others			
<i>Securities transactions income and other financial transactions</i>			
Treasury bills income			
Tradable income interests			
Income from held-to maturity securities			
Income from investment securities			
Income from the transactions with securities			
Income from tradable securities			
Income from held to maturity securities			
Income from investment securities			
From participants and subsidiaries income			
Others			
<i>Commissions for banking services</i>			
Treasury and Interbank transactions			
From the transactions with clients			
From debts backed by securities			
From subordinate debts			
From securities sold under the Repurchase Agreements			
<i>Commissions for banking services</i>			
Other commissions			
<i>Income from leasing operations</i>			
<i>Other income from the banking activities</i>			
<i>Profit from operations with foreign currencies</i>			
Transfers from reserve funds for the depreciation of fixed assets			
Transfers from reserve funds for the depreciation of the receivable accounts			
Extraordinary income			
Losses of the current year			
TOTAL INCOME			

CAPITAL FUNDS STATE

FOR THE FIRST THREE YEARS OF THE ACTIVITY

(in Lek)

DESCRIPTION	End of first Year	End of second year	End of third year
Available funds for the beginning of the activity			
Minus: Starting and organisation costs			
Net funds of capital at the beginning of the period			
Net profit (loss)			
Minus: Paid dividends to the owners/shareholders			
CAPITAL AT THE END OF THE PERIOD			

The capital at the end of the period should not be lower than the amount of minimum initial capital required. If the value of capital at the end of period falls under the value of minimum initial capital required, then you should declare the increase source of funds.

ADMINISTRATORS

1. Steering Council:

Name and address	Task	Number of shares he owns *	Percentage against the total
TOTAL			

* If owing any.

2. Control committee:

Name address and proposed position	Task	Number of shares he owns	Percentage against the total
TOTAL			

3. Directory:

Name and address	Task	Number of shares it owns	Percentage against the total
TOTAL			

4. Is there any of the administrators related to a bank or financial institution (including any other proposed institution) in Albania by the employment, the management or the ownership? If yes, describe in details such relationships and provide comments about the individual plans to continue these relationships.

5. Give specifications if any of the proposed administrators of the Steering Council is assigned or appointed in the public sector. If so, describe this position and define the official term.

6. Submit the biographic and financial information, as applicable, for each proposed member of the Steering Council and for the president/executive director, and for each person that holds 10 per cent or more of shares, in the forms of the Bank of Albania.

NOTE: The financial information shall correspond to the period no later than 6 months prior to the application date.

7. Are there given any remuneration, recompense for the administrators or directors, or are there proposed similar plans? If yes provide a copy of these plans.

† Submitted copy

† No applicable

THE CONFIDENTIAL PERSONAL FINANCIAL REPORT *

TO BE FILLED BY EACH FOUNDER OF THE BANK AND EACH SIGNATORY PARTY OWING 10 PER CENT OR MORE OF THE SHARE CAPITAL.

THE FINANCIAL STATE AS AT _____

(Date)

Deposited by:

For the natural persons provide: name, father's name, surname, date and place of birth, citizenship, residence address.

To
SUPERVISION DEPARTMENT
OF THE BANK OF ALBANIA

Relating to:

(Particular reasons for presenting this report)

INSTRUCTIONS:

Type or print this report. Provide full answers to the questions. If the answer is "No", or "None" or "not applicable" you are pleased to provide it. In case of insufficient room, please attach a special statement to this form. The information included in this special statement is noted by numbers and letters to adapt to this form and all the statements shall be signed and contain a date.

An incorrect and incomplete report shall not be accepted and be a reason for refusal of the application for a license.

Each page of the information included in the Confidential Personal Financial report must be signed, dated by the individual that fills that latter and be certified by a public notary.

To clarify any question related to this REPORT the person that has filled it shall contact directly the Bank of Albania, Supervision Department.

* ALL THE DATA SHALL BE PROVIDED IN ALBANIAN LEK. DESCRIBE THE METHOD USED FOR THE EXCHANGE RATE OF THE CURRENCY AND NOTE WRITE THE EXCHANGE RATE.

INCOME STATEMENT

INCOME	200__	200__	200__	Value of the continuing year
Wages, Payments and compensations	_____ LEK	_____ LEK	_____ LEK	_____ LEK
Dividend and interests income	_____	_____	_____	_____
Net income from leases and investments	_____	_____	_____	_____
Other income	_____	_____	_____	_____
TOTAL INCOME*				
DIFFERENCE				
Discounts and adjustments	_____	_____	_____	_____
Income taxes	_____	_____	_____	_____
TOTAL DIFFERENCE				
	_____ LEK	_____ LEK	_____ LEK	_____ LEK
NET INCOME (Total income minus the discounts)				
* Explain special cases for the first year				

If one of the reasons to fill this report is the inclusion for the purchasing of shares, fill the following form:

Amount of purchased shares Fair value Purchase price/share Total value of the purchase

--	--	--	--

Describe the payment means. If the assets shall be liquid to finance the purchase, please provide details:

FINANCIAL REPORT¹⁰¹

ASSETS	LIABILITIES
1) Cash on hand and at banks _____	7) Uninsured current liabilities _____
2) Certificates, loans and other receivable accounts considered as regular and collectable _____	8) Insured current liabilities _____
3) Owned real estate _____	9) Uninsured long-term liabilities _____
4) Tradable securities _____	10) Long-term insured liabilities _____
5) Ownership interests _____	11) Income interest and payable tax _____
6) Other assets _____	12) Other liabilities and obligations _____
TOTAL ASSETS _____	TOTAL LIABILITIES _____
	13) Net wealth (total assets minus total liabilities) _____
	TOTAL LIABILITIES AND NET WEALTH _____

UNINSURED LIABILITIES

Along with the liabilities and assets noted above, I have signed, guaranteed or on the other hand I am directly or casually responsible for the liabilities of the others as follows:

¹⁰¹ This table shall be provided in details in the following tables.

Name and address of debtor	Name and address of creditor	Collateral description	Current value of collateral	Interest rate	Liability date	Present outstanding

CASH ON HAND AND AT BANKS¹⁰²
(only personal accounts)

NAME OF BANK	ACCOUNT CODE	AMOUNT (IN LEK)
Amount of cash at banks		
Plus (+) Cash on hand		
Transferred from point (1) of the financial report		
TOTAL		

**CERTIFICATES, LOANS AND OTHER RECEIVABLE ACCOUNTS
CONSIDERED AS REGULAR AND COLLECTABLE¹⁰³**

Name and address of debtor	Date of obligation	Description of collateral	Current value of collateral	Current outstanding (in LEK)
Transferred from point (2) of the financial report				
TOTAL				

¹⁰² Details of Financial Report point 1.

¹⁰³ Details of Financial Report point 2.

OWNED REAL ESTATE¹⁰⁴

Description and location	Name of the holder of the title	Receiving date	Current value of your interest (in LEK)
Transferred from point (3) of the financial report			
TOTAL			

TREADABLE SECURITIES¹⁰⁵

(LISTED IN THE STOCK EXCHANGE OR TREADABLE IN THE REGULAR FREE MARKET)

Name of the security	Number of shares	Description (shares, bonds, etc.)	Real market value (in LEK)
Transferred from point (4) of the financial report			
TOTAL			

¹⁰⁴ Details of Financial Report point 3.¹⁰⁵ Details of Financial Report point 4.

OWNERSHIP INTERESTS/LEGAL PERSONS WITHOUT PUBLIC BID¹⁰⁶

Below, provide, in relevant columns, the required information regarding all of similar businesses or enterprises in which you owned an interest owner or legal right. Examples are: single ownership, partnership, joint venture and other legal person's shares which are not listed on the stock exchange or traded in the free adjusted market. In the column "Form of business, describe the legal form of business or enterprise. If the trade is a legal person, determine the nature and percentage of owner interest in your business or enterprise. In the column "Current Value", describe the value of the full current market your property.

NOTE: Present the latest data on the state or other data evaluation, to justify the values given in the table which represent an amount equal to 10 percent or more of your net wealth.

Business' name and address	Form of business	Nature of business	Type of Your business	Present (In LEK)
Transferred from point (5) of the financial report				
TOTAL				

OTHER ASSETS¹⁰⁷

DESCRIBE THE ASSETS, PRINCIPLES AND METHODS OF THEIR ASSESSMENT	CURRENT VALUE (In LEK)
Transferred from point (6) of the financial report	
TOTAL	

¹⁰⁶ Details of Financial Report point 5.

¹⁰⁷ Details of Financial Report point 6.

SHORT-TERM LIABILITIES¹⁰⁸

Disclose the required information regarding all the liabilities amounting to LEK 500.000 or higher for which you are accountable and which should be paid in one year or less than one year. (The part of long-term liabilities is not included in this form.)

Name and address of the creditor	Control if insured	Insured by	Interest rate	Date of the obligation beginning	Date of obligation payment	Amount (In LEK)
Transferred from point (7) of the financial report TOTAL of uninsured liabilities (in LEK)						
Transferred from point (8) of the financial report TOTALI of insured liabilities (in LEK)						
TOTAL OF SHORT-TERM LIABILITIES						

LONG-TERM LIABILITIES¹⁰⁹

Disclose the required information relating to all the liabilities amounting to LEK 500,000 or higher for which you are accountable and which should be paid for one year or later.

Name and address of the creditor	Control if insured	Insured by	Interest rate	Date of the obligation beginning	Monthly payment (In LEK)	Current Outstanding (In LEK)
Transferred from point (9) of the financial report TOTAL of uninsured liabilities (in LEK)						
Transferred from point (10) of the financial report TOTAL of insured liabilities (in LEK)						
TOTAL OF LONG-TERM LIABILITIES						

¹⁰⁸ Details of Financial Report points 7 and 8.

¹⁰⁹ Details of Financial Report points 9 and 10.

OTHER OBLIGATIONS AND LIABILITIES¹¹⁰

Description	Date of obligation	Amount (In LEK)
Transferred from point (12) of the financial report		
TOTAL		

CERTIFICATE/ STATEMENT

By the virtue of which I Certify that the information disclosed thereto as I believe is true and correct, it reflects all the assets and obligations and does not contain any hinder of facts. I certify that the provided information is provided willingly from me to the Bank of Albania.

Any incorrect or missing evidence in this report may be a reason for Bank of Albania refuses my participation in the application and at the level that this incorrect or missing submission of evidences reflects my honesty and personality may serve as a reason for the refusal of the application.

If needed other additional financial information, I shall provide this latter as requested by the Bank of Albania.

_____ (Date) (full signature)

If applicable:

_____ (Signature of the compiler)

TITLE: _____

ADDRES: _____

Sworn and signed by on the day _____ of _____, 20_____.

(Signature of the public notary)
Service commissions:

¹¹⁰ Detail of the financial report point 12.

**AUTHORISATION FOR THE DISCLOSURE OF THE CONFIDENTIAL
INFORAMTION**

(Authorisation to be filled in two copies in original)

To whom it may concern:

I, _____, by the virtue of which authorize and ask any person, company, employee, legal authority, association, organisation or institution which are in control of any document, database or other information that has to do with me, to present the original or copies of any document or other information to the Bank of Albania, Supervision Department, or any other authorized person by it for purposes of inspection or copying them in accordance with the Albanian Legislation.

Name (typed or printed)

Full address _____

Date(date /month/year)

Signature

Signed in my presence

_____date_____, 20____

THIS DOCUMENT IS AVAILABLE FOR SIX MONTHS

(SIGNATURE OF PUBLIC NOTARY)

BANK ENVIRONMENTS AND ITS LOCATION **

1) Type of premises where the bank shall carry out its banking and financial activity:

permanent rented locations;

permanent owned locations;

temporary locations.

2) Description of environments:

A) descriptions of internal building environments (indicated by the available space, facilities for all employees and the size of the lobby area);

B) size of the soil; the size of the building, etc. number of floors;

C) type of building construction (concrete, wood frame, metal etc. by description indicator).

3) The premises rented

A) name and address of the owner, the annual rental cost of the bank

B) description of the repairs and improvements to the building received.

4) Premises owned:

A) name and address of seller, date of completion of construction, the cost of purchasing the bank:

B) cost and description of repairs needed, repairs and changes to the building and surrounding environment.

5) temporary places :

A) location of the temporary places

B) details regarding the temporary places, including their size, type of construction, the main facilities to be deployed in the building;

C) if the temporary places will be purchased, forecast the cost, the approximate value of re-selling, a copy of the standard form of the purchase agreement;

D) if the interim will be rented, give the identity of the tenants, monthly rent, if rent is paid a minimum.

6) Indicate the proposed investment in furniture, equipment, and a description of furniture

** Provide as much as possible from this information at the time of the application. The rest of the information shall be submitted to the Bank of Albania prior to the acquisition of the final license.

Form No.14

PROPOSED BUSINESS PLAN

The proposed business plan defines the purpose, objectives and philosophy of the bank's business. Bank of Albania will continuously review, during the first three years of activity, the proposed plan of the activity, since the adoption of judging whether the bank's operations are conducted in accordance with the original plan given to the event, especially in terms of growth of assets and liabilities. Any significant change to the original plan submitted may become cause for revocation of license. For this reason, care should be to prepare the business plan.

The proposed business plan shall include:

1. the organisational structure of the bank and the possible number of employees
2. the types of financial and banking activities to be carried out;
3. the foreseen financial statements;
4. the principles, based on which it is prepared the business-plan;
5. the size and nature of the activity of the proposed bank and its position in the financial market;
6. the assessment of the proposed shareholder/shareholders on the state of the Albanian banking system, competitors, market characteristics and trends of its development,
7. the bank's strategy regarding the proposed objectives and position of its target market,
8. the reasons and arguments why the main founding shareholder /shareholders believe banks will be successful, and the overall strategy to achieve this success
9. number of branches and agencies, along with the deadlines where and when the bank plans to open them,
10. the forecast on the proposed bank financial state for 3 (three) years prior to the exercise of its activity (accounting balance sheet, statement of income and expenditure, cash flow, depreciation plan to pre-operational expenses, the plan of distribution of profit or coverage of losses, etc.), including the main arguments used for these forecasts,
11. the identification of the risks to which the bank expects to be exposed during the implementation its business plan, and a description of methods and control systems to be implemented by this latter for the purposes of managing these risks. The subject, for the purposes of drafting the business

plan and calculating the indicators for the anticipated risks, should consider the requirements defined in the Law on banks and in the by-laws issued for its implementation, particularly these latter's definitions regarding the rates and maximum limits of the risk indicators;

STATEMENT

Through which I declare that I have/do not have family relation or close personal, working or business relationship in accordance with legal stipulations, with persons with criminal convictions by a final court decision.

Note: Where the proposed shareholder declares that he has family relation or close personal, working or business relationships in accordance with legal stipulations, with persons with criminal convictions by a final court decision, shall list the names of the persons.

No	Name of the person related to the proposed shareholder	Specifying the type of the relationship (family or close personal, working or business relationship, in accordance with legal stipulations)	Criminal convictions by a final court decision exists (explain the type of conviction)
1			
2			
3			
...			

I hereby declare that the information provided, is voluntarily presented to the Bank of Albania by me.

Any wrong doing or exclusion of the facts in this report may be a motivation for the Bank of Albania to refuse my approval as the shareholder of the Bank _____, upon the claim and to the extent that this misrepresentation or exclusion of the facts reflecting my integrity and personality may act as a motivation for the refusal of the entire application.

Shall further or more detailed information be required by the Bank of Albania, I remain at disposal to provide it.

(Name/Surname of the proposed shareholder)

____/____/____
(Date)

(signature)

¹¹¹ Added upon the decision of the Bank of Albania’s Supervisory Council, No. 46, dated 3.7.2019.

LIST OF DATA OF AGENTS OF THE BANK FOR PROVIDING PAYMENT SERVICES

NO.	Name of agent	NUIS (Unique Business Registration Number)/ Personal number of identification document	Location (address) of agent	Administrator of agent/ persons responsible for the administration of the activity of payment services (Name, Father's name, Surname)	Personal number of identification document of persons in column (5)	District	City / Municipality	Contacts (e-mail, telephone)	Payment services that the agent will carry out ¹¹³							
									(1)	2	3	4	5	6	7	8
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)							
									1	2	3	4	5	6	7	8

¹¹² Added upon the decision of the Bank of Albania’s Supervisory Council, No. 61, dated 24.11.2021.

¹¹³ The bank checks with the sign “X” the service/all payment services, listed in points 1-8 of Annex 1 of Payment Services Law that the agent will carry out and that are included in the licence’s annex.