

REGULATION
ON THE REGISTER OF PARENT COMPANIES
year 2014 / number 03

(Consolidated text as at 01/01/2015 - Update I)

Article 1 – Definitions

1. For the purposes of this regulation, the following definitions shall apply:
 - a) "**Central Bank**": Central Bank of the Republic of San Marino;
 - b) "**Financial parent company**": San Marinese authorised party that satisfies the requirements provided for in article 54 paragraph 1 of the LISF, and included within the structure of a group, so that its own balance sheet assets and those of the companies and entities under its control would satisfy the condition required for the existence of a RELEVANT GROUP;
 - c) "**Non financial parent company**": San Marinese holding company pursuant to article 54 paragraph 2 of the LISF, and that satisfies the requirements of article 54, paragraphs 1 and 3 of Law No. 165 dated 17 November 2005, included within the structure of a group, so that its own balance sheet assets and those of the companies and entities under its control would satisfy the condition required for the existence of a RELEVANT GROUP;
 - d) "**Financial component**": FINANCIAL UNDERTAKING, controlled by the parent company and consequently part of the RELEVANT GROUP;
 - e) "**Non financial company component**": San Marinese or foreign company or other entity, under the control of the parent company, which carries out associated, instrumental or ancillary activities to the activities reserved to the RELEVANT GROUP it is part of;
 - f) "**Control**": relationships between different companies, characterised by the conditions referred to under article 2 of LISF;
 - g) "**Relevant group**": group or conglomerate, pursuant to articles 53 and 60 of LISF, combined with the following additional conditions:
 - the assets are represented to an extent of no less than 50% of the total, by the balance sheet assets of FINANCIAL UNDERTAKING;
 - the parent company is a San Marinese AUTHORISED PARTIES or San Marinese holding company pursuant to article 54, paragraph 2 of LISF;
 - all companies or entities that constitute them are controlled by the parent company and involve the exercise of reserved activities or activities connected to them, be these instrumental or ancillary, including the companies under voluntary liquidation or subject to insolvency proceedings or extraordinary proceedings referred to in Part II, Title II of LISF or equivalent foreign proceedings.";
 - h) "**Financial undertaking**": San Marinese or foreign party that carries out the activities as a business, as included in the list referred to in Annex 1 of LISF;
 - i) "**LISF**": Law No. 165 of 17 November 2005, as subsequently amended;
 - j) "**Register**": Register of parent companies referred to in article 56 of the LISF;
 - k) "**Register of Authorised Parties**": Register referred to in article 11 of LISF, as regulated by Regulation 2006-01 and subsequently amended;
 - l) "**Register of Companies**": Register referred to in article 6 of the Law No. 47 dated 23 February 2006 and subsequently amended;
 - m) "**Authorised parties**": authorised parties, pursuant to LISF, to conduct one or more reserved activities.
2. The use of the terms included in the definitions is evidenced by the SMALL CAPS characters.
3. For all terms not defined in paragraph 1, reference should be made to the definitions and details provided for in the articles of the LISF.

Art. 2 – Scope and legal sources

1. This Regulation governs the Register of Parent Companies referred to in article 56 of LISF and finds its legal sources in articles 53, 54, 55 and 56 of LISF.

Art. 3 – Content of Register

1. The REGISTER contains the information details relating to:
 - a) the FINANCIAL or NON FINANCIAL PARENT COMPANIES;
 - b) the FINANCIAL or NON FINANCIAL COMPONENTS;
 - c) the holdings or controlling relationships between the parties referred to under points a) and b) above
2. The RELEVANT GROUP is indicated with an identification code. The parent company and individual components are detailed for each RELEVANT GROUP.
3. In the case of FINANCIAL PARENT COMPANIES and FINANCIAL COMPONENTS registered in the REGISTER OF AUTHORISED PARTIES, only the registration number in said register is shown, with the exception of the former, which are in turn subject to the CONTROL of a foreign FINANCIAL UNDERTAKING that covers the role of parent company for the foreign jurisdiction it falls under, an appropriate annotation is made in the REGISTER, showing the identity of the latter.
4. For NON FINANCIAL PARENT COMPANIES, the following is indicated:
 - a) the name;
 - b) the legal form;
 - c) the registered office;
 - d) the administrative headquarters, if different from the registered office;
 - e) the date and registration number in the REGISTER OF COMPANIES;
 - f) the Economic Operator Code;
 - g) the auditing company;
 - h) the share capital (subscribed and paid up);
 - i) the corporate officials;
 - j) the last three approved financial statements, with every accompanying report and certification;
 - k) the holders of more than 5% in the share capital, and the portion attributable to each of them;
 - l) any branches in the Republic of San Marino;
 - m) any foreign parent company.
5. For NON FINANCIAL COMPONENTS and FINANCIAL COMPONENTS not registered in the REGISTER OF AUTHORISED PARTIES, the following is indicated:
 - a) the name;
 - b) the legal form;
 - c) the registered office;
 - d) the administrative headquarters, if different from the registered office;
 - e) the share capital (subscribed and paid up);
 - f) the corporate purpose;
 - g) total assets recorded in the last approved financial statements;
 - h) the holders of not less than 20% in the share capital, and the portion attributable to each of them.

Art. 4 – Registration in the Register

1. The parties that pursuant to article 53, paragraph 2 and article 54 of LISF and the implementation supervisory regulations, have the characteristics required to become qualified as parent companies, are obliged within thirty days from when the conditions for taking on this qualification have been

established, to advise regarding the existence of a RELEVANT GROUP and its composition, for the purposes of registering the group itself in the REGISTER. Once the CENTRAL BANK has checked that the information and documents received are complete and correct for the purposes of publication, it shall proceed without delay with the registration.

2. The CENTRAL BANK shall automatically check on the existence of a GROUP or on any change to its composition, even if there is a discrepancy with what was communicated by the parent company. Once these checks have been completed, the CENTRAL BANK notifies the parent company of the registration. The parent company is then responsible for notifying the individual components of the RELEVANT GROUP, specifying the composition recognised by the CENTRAL BANK, as well as advising only the FINANCIAL COMPONENTS of the information pursuant to article 5, paragraph 1 below.

Art. 5 – Content of communication

1. The communication referred to in the first paragraph of the preceding article must contain the following information, in addition to the details that need to be entered into the Register pursuant to article 3, paragraphs 4 and 5:
 - a) the organisational structure of the RELEVANT GROUP in addition to the methods whereby the parent company intends carrying out the enacting functions pursuant to article 57, paragraph 2 of LISF;
 - b) the identity of the parties that irrespective of the holding in the parent company's share capital, still hold CONTROL, even if this is held jointly;
 - c) the type of CONTROL;
 - d) the details of any additional holdings not falling into the RELEVANT GROUP;
2. For NON FINANCIAL PARENT COMPANIES, NON FINANCIAL COMPONENTS and FINANCIAL COMPONENTS not registered in the REGISTER OF AUTHORISED PARTIES, in addition to what was set out in the previous paragraph, the communication must also be accompanied by the following documents:
 - copy of the articles of association, clearly showing the type of economic activity conducted, for the purposes of checking that this is consistent with article 54, paragraph 2 of LISF or, checking the associated, instrumental or ancillary activities respectively with the RELEVANT GROUP'S reserved activities;
 - copy of the last three approved financial statements, with every accompanying report and certification, where applicable;
 - certificate of good standing, or an equivalent certificate for foreign registered companies or entities.

Art. 6 – Changes to the Register

1. Parent companies are obliged to promptly notify the CENTRAL BANK of any changes to the information contained in the REGISTER, while asking at the same time in an appropriate written letter, for the updating thereof, including the replacement of the most recent financial statements published with the last approved financial statements, irrespective of whether they have been released from the notification requirements regarding the entirety or part of the same subject in the past or subsequently, and resulting from other supervisory regulations other than Reg. 2006-01.
2. Each change communicated to the CENTRAL BANK and duly demonstrated is promptly annotated in the REGISTER.

3. THE CENTRAL BANK, in the absence of the notice referred to in the preceding paragraph, is entitled to automatically update the information contained in the REGISTER when it has become aware of the information.

Art. 7 – Check on the continued fulfilment of the conditions for registration and updating of accompanying documents

1. Parent companies are obliged to check when approving the financial statements for the period, that the conditions for the group's relevance continue to be fulfilled for the purposes of this Regulation, providing the CENTRAL BANK with immediate notice should this not be the case, so that the RELEVANT GROUP may be cancelled from the REGISTER.
2. For the purposes of updating the documents required pursuant to article 5, paragraph 2, parent companies must further promptly send the CENTRAL BANK, a copy of subsequent financial statements and the articles of association and certificates that may be updated subsequent to intervening amendments to the articles of association.

Art. 8 - Removal from the Register.

1. THE CENTRAL BANK proceeds with the removal of the RELEVANT GROUP from the REGISTER in the following cases:
 - a) the parent companies no longer has the requirements to cover this qualification;
 - b) the parent company has gone into liquidation;
 - c) the balance sheet assets of FINANCIAL UNDERTAKINGS drop below 50% of the RELEVANT GROUP'S total assets;
 - d) the composition of the RELEVANT GROUP, excluding the components under liquidation, is limited solely to the parent company.
2. In the case of a new parent company succeeding the one that was previously registered as such, the RELEVANT GROUP, in changing its name, shall be cancelled and re-registered in the REGISTER with a different code pursuant to article 3, paragraph 2.

Art. 9 – Making registration public

1. The components of a RELEVANT GROUP, registered in the REGISTER, must provide appropriate evidence thereof in documents and correspondence.

Art. 10 - Consulting the Register

1. Consulting the REGISTER, which is held in computerised form, is permitted to anyone and consists of the right to receive, upon written request to the CENTRAL BANK, data and information contained therein.
2. The CENTRAL BANK publishes the listing of RELEVANT GROUPS registered in the REGISTER on its internet site, providing:

- a) in the case of FINANCIAL PARENT COMPANIES , their name, a hyper link to the data contained in the REGISTER OF AUTHORISED PARTIES and the possible annotation on belonging to a foreign group referred to under article 3, paragraph 3;
- b) in the case of NON FINANCIAL PARENT COMPANIES, the most recent information and documents relating to the aspects under article 3, paragraph 4;
- c) in the case of FINANCIAL COMPONENTS:
 - registered in the REGISTER OF AUTHORISED PARTIES, their name and a hyper link to the data contained therein;
 - not registered in the REGISTER OF AUTHORISED PARTIES, the most recent information relating to the aspects under article 3, paragraph 5;
- d) in the case of NON FINANCIAL COMPONENTS, the most recent information relating to the aspects under article 3, paragraph 5.

Art. 11 – Enforceability against third parties

1. For the purposes of enforceability against third parties, the information contained in the REGISTER, shall not prevail in respect of any divergent information contained in the REGISTER OF COMPANIES or equivalent registers of other jurisdictions.

Art. 12 – Amendments to Regulation No. 2006-01

1. In article 3, paragraph 5 of Regulation No. 2006-01 entitled "Regulation on the Register of Authorised Parties", the following letter is added:
"f) any registration in the Register of Parent Companies;".

2. After article 11 of Regulation No. 2006-01 entitled "Regulation on the Register of Authorised Parties", the following article is added:

"Art. 11 – Making registration public

1. Parties registered in the REGISTER, must provide appropriate evidence thereof in documents and correspondence."

Art. 13 – Entry into force

1. This Regulation shall enter into force on 1 July 2014.
2. Within ninety days from when this Regulation enters into force, parent companies must submit an application for registration in the REGISTER to the CENTRAL BANK, attaching the documentation required by the preceding articles.