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Procedures for cooperation with foreign supervisory authorities within the field of fit & proper

International supervision standards¹ recommend that supervisory authorities cooperate in matters regarding fitness and propriety assessments of shareholders and members of management.

In order to ensure compliance with these standards, the following guidelines must be respected:

1. Declaration from another EU/EEA country

If a member of a board of directors or board of management has been deemed fit and proper in another EU/EEA country, and the member submits documentation in this respect in the form of a printout/declaration from the relevant supervisory authority, the Danish FSA will, as a general rule, use such documentation as a basis for its decision.

If needed, the Danish FSA must contact the supervisory authority of the other EU/EEA country regarding the documentation submitted as to the fitness and propriety of the member of a board of directors or board of management.

2. Notification to other supervisory authorities

2.1. Members of management

If the Danish FSA assesses that a member of management (a member of the board of management or a member of the board of directors) is not fit and proper, the Danish FSA must, as a rule, notify foreign supervisory authorities if the Danish FSA knows that the relevant person has links to

¹ European Standards on Fitness and Propriety to provide investment services published by FESCO in 1999 (investment management companies), Fit and Proper Principles paper published by JOINT FORUM in 1999 (financial conglomerates) and Guidance Paper For Fit and Proper Principles and their Application published by IAIS in 2000 (insurance companies and insurance groups).

a company which is subject to supervision by another supervisory authority.

2.2. Owners of qualifying interests

If the Danish FSA assesses that an owner of qualifying interests (shareholders) act contrary to appropriate operation of an undertaking, the Danish FSA must, as a rule, notify foreign supervisory authorities if the Danish FSA knows that the relevant person has links to a company which is subject to supervision by another supervisory authority.

2.3. Compliance with the duty of confidentiality

Notification to foreign supervisory authorities under items 2.1. and 2.2. entails that the Danish FSA divulges confidential information about the relevant member of management/shareholder. It is thus a requirement that the notification does not conflict with the Danish FSA's duty of confidentiality and the Act on Processing of Personal Data. If this assessment gives rise to doubts, the relevant specialist divisions at the Danish FSA must be contacted (duty of confidentiality: JURA, the Act on Processing of Personal Data: FORM).