

# Guidelines

for **FinTech licence** applications pursuant to Article 1*b* of the Banking Act

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## Purpose

This document is intended to act as a guide for the convenience of applicants and to facilitate the presentation of applications submitted by them. It does not give rise to any legal claim. These guidelines highlight the information and documents an applicant must usually submit when making an application. The guidelines do not exclude the possibility that the applicant may submit additional information or that the Swiss Financial Market Supervisory Authority FINMA may request further details and documents. Applications are to be submitted in one of Switzerland's official languages. If an application is submitted by a legal representative, the original copy of this person's authorisation must be provided.

Persons pursuant to Art. 1*b* of the Banking Act (BA; SR 952.0) are permitted to accept public deposits of up to 100 million Swiss francs but may not invest them or pay interest on them. FINMA licenses persons pursuant to Art. 1*b* BA and supervises them after a licence has been granted.

Any change to the basis on which the licence was granted must be reported to FINMA. In the event of material changes, approval must be obtained from FINMA before continuing with operations (Art. 8*a* BO; SR 952.02).

A person pursuant to Article 1*b* BA may not begin operations until a licence has been granted by FINMA. It is an offence to engage in activities which require a licence without being in possession of the said licence (Art. 44 FINMASA; SR 956.1).

## I. Licence application

### I.1 General information

- Reasons for applying for a licence as a person pursuant to Article 1*b* BA and intention in doing so

- Description of the proposed activity and organisation, including the proposed business activity, geographical scope and target clientele
- Certified extract from the commercial register
- Information about the business premises, infrastructure and personnel
- Information about the applicant's group companies, participations and/or other presences (branch or representative offices)

## I.2 Participations in the applicant

- Share capital (structure, allocation, nominal value, subscription etc.)
- List of all participants with a direct or indirect holding of 5% or more (to the level of beneficial owner with voting rights and capital interest)
- Graphic showing all directly or indirectly qualified participants to the level of beneficial owner (including information regarding the size of the participation), broken down by shares of voting rights and capital
- Information on any agreements and other ways in which the applicant may be controlled or materially influenced. Documents (e.g. shareholders' agreements) must be submitted
- Persons holding a qualified participation must provide FINMA with a declaration as to whether they hold the shares on their own behalf or on behalf of third parties and whether they have granted option facilities or similar rights for these participations (form, signed and dated)

## I.3 Information about persons entrusted with the administration and management of the business

Information about the governing bodies:

- Composition of the governing body entrusted with the administration of the business, including details of the chairman, vice-chairman and members of any committees
- Information about the composition, organisation and powers of the executive board

The following documents must be submitted as proof that members of the executive board and the governing body entrusted with the administration of the business meet the requirements:

- Personal information (surname, first name, date of birth, nationality, place of birth, place of residence and function)
- Copy of a current identification document (copy of a passport or official ID document signed and dated by the holder)
- In the case of foreign nationals, copy of the residence permit (signed and dated)

- A CV signed by the person in question (including training and further education; list and description of past and current positions and directorships, with dates)
- Copies of job references, diplomas and other references
- Swiss criminal records extract (original copy, no more than six months old)
- In the case of foreign nationals who have lived in Switzerland for less than five years, a criminal records extract from the previous country of residence or home country (original copy, no more than six months old)
- Debt enforcement register extract (original copy, no more than six months old)
- Contract with the applicant (signed and dated)
- Declaration regarding pending and concluded legal proceedings (form, signed and dated)
- Declaration regarding participations in supervised institutions (form, signed and dated)
- Declaration regarding other directorships (form, signed and dated)

#### I.4 Business activity and internal organisation

- Detailed description of business activities and processes
- Business plan including budget (balance sheet, income statement) for the next three financial years with optimistic, realistic and pessimistic scenarios
- Articles of association, organisational regulations, which are tailored to the business activity of a person pursuant to Art. 1b BA
- Organisational chart showing executive personnel and the FTEs per organisational unit
- Organisation and regulations/policies relating to the risk organisation, compliance and the internal control system (including AMLA policies)
- Outsourcing of activities
- Description of how public deposits are held (separate from the company's own funds?)
- Details of information for customers pursuant to Article 7a BO
- Description of any conflicts of interest and related measures pursuant to Article 14g BO

#### I.5 Meeting of financial requirements

- Appropriate evidence of compliance with the minimum capital requirements
- Anticipated minimum capital trends in line with the business plan, including information about sources of financing

## I.6 Regulatory audit firm

- Written notice of acceptance of the regulatory audit mandate
- Completed questionnaire regarding services of approved audit firms

## I.7 Additional requirements for groups operating in the financial services sector

- Organisational chart of the group with information about existing or planned licences granted under financial market law

## II. Changes

All changes to matters affecting licensing require prior authorisation or approval by FINMA.

The following in particular require approval (the list is not exhaustive):

- Changes relating to key documents (particularly the articles of association and organisational regulations)
- Changes relating to holders of qualified participations
- Changes in the persons entrusted with the administration and management of the business
- Changes relating to the organisation
- Changes relating to internal corporate governance regulations
- Changes relating to activity and non-core activities
- Changes relating to the outsourcing of core services

The licence application must contain a detailed justification. All relevant information must be documented, and changed documents must also be submitted with changes tracked. Depending on the nature of the changes, it may be advisable to discuss them with FINMA in advance.