

Annex I: Information collected as part of the application process for authorisation as a Financial Institution

Introduction

This annex stipulates the information which the MFSA will ordinarily collect throughout the application process for authorisation as a Financial Institution. Such information is collected through the application form which is available on the Authority's [website](#).

Information required to be submitted by Applicants seeking authorisation to provide the services listed under points 4 & 10 of the First Schedule of the Act

The following information shall be submitted:

- a. a programme of operations setting out in particular the type of payment services envisaged;
- b. a business plan including a forecast budget calculation for the first 3 financial years which demonstrates that the applicant is able to employ the appropriate and proportionate systems, resources and procedures to operate soundly;
- c. evidence that the applicant holds initial capital;
- d. where applicable, a description of the measures taken for safeguarding payment service users' funds in accordance with applicable legislation;
- e. a description of the applicant's governance arrangements and internal control mechanisms, including administrative, risk management and accounting procedures as well as arrangements for the use of ICT services in accordance with Regulation (EU) 2022/2554 of the European Parliament and of the Council, which demonstrates that those governance arrangements and internal control mechanisms are proportionate, appropriate, sound and adequate;
- f. a description of the procedure in place to monitor, handle and follow up a security incident and security related customer complaints, including an incident reporting mechanism which takes account of the notification obligations of the payment institution laid down in Chapter III of Regulation (EU) 2022/2554;
- g. a description of the process in place to file, monitor, track and restrict access to sensitive payment data;
- h. a description of business continuity arrangements including a clear identification of the critical operations, effective ICT business continuity policy and plans and ICT response and recovery plans and a procedure to regularly test and review the adequacy and efficiency of such plans in accordance with Regulation (EU) 2022/2554;
- i. a description of the principles and definitions applied for the collection of statistical data on performance, transactions and fraud;

- j. a security policy document, including a detailed risk assessment in relation to its payment services and a description of security control and mitigation measures taken to adequately protect payment service users against the risks identified, including fraud and illegal use of sensitive and personal data;
- k. for applicants subject to the obligations in relation to money laundering and terrorist financing under Directive (EU) 2015/849 of the European Parliament and of the Council and Regulation (EU) 2015/847 of the European Parliament and of the Council (⁶), a description of the internal control mechanisms which the applicant has established in order to comply with those obligations;
- l. a description of the applicant's structural organisation, including, where applicable, a description of the intended use of agents and branches and of the off-site and on-site checks that the applicant undertakes to perform on them at least annually, as well as a description of outsourcing arrangements, and of its participation in a national or international payment system;
- m. the identity of persons holding in the applicant, directly or indirectly, qualifying holdings within the meaning of point (36) of Article 4(1) of Regulation (EU) No 575/2013, the size of their holdings and evidence of their suitability taking into account the need to ensure the sound and prudent management of a payment institution;
- n. the identity of directors and persons responsible for the management of the applicant and, where relevant, persons responsible for the management of the payment services activities of the applicant, as well as evidence that they are of good repute and possess appropriate knowledge and experience (a personal questionnaire needs to be submitted by each individual);
- o. where applicable, the identity of statutory auditors and audit firms as defined in Directive 2006/43/EC of the European Parliament and of the Council;
- p. the applicant's legal status and articles of association; and
- q. the address of the applicant's head office.

For the purposes of points (d), (e) (f) and (l) of the first subparagraph, the applicant shall provide a description of its audit arrangements and the organisational arrangements it has set up with a view to taking all reasonable steps to protect the interests of its users and to ensure continuity and reliability in the performance of payment services.

The security control and mitigation measures referred to in point (j) of the first subparagraph shall indicate how they ensure a high level of digital operational resilience in accordance with Chapter II of Regulation (EU) 2022/2554, in particular in relation to technical security and data protection, including for the software and ICT systems used by the applicant or the undertakings to which it outsources the whole or part of its operations. Those measures shall also include the security measures laid down in Article 95(1) of the PSD2. Those measures shall take into account EBA's guidelines on security measures as referred to in Article 95(3) of the PSD2.

Information required to be submitted by Applicants seeking authorisation to provide the services listed under points 1-3 & 5-9 of the First Schedule of the Act

The following information shall be submitted:

- a. a programme of operations setting out in particular the type of services envisaged;
- b. a business plan including a forecast budget calculation for the first 3 financial years which demonstrates that the applicant is able to employ the appropriate and proportionate systems, resources and procedures to operate soundly;
- c. evidence that the applicant holds initial capital;
- d. where applicable, a description of the measures taken for safeguarding clients' funds in accordance with applicable legislation;
- e. a description of the applicant's governance arrangements and internal control mechanisms, including administrative, risk management and accounting procedures, which demonstrates that those governance arrangements and internal control mechanisms are proportionate, appropriate, sound and adequate;
- f. a description of business continuity arrangements including a clear identification of the critical operations, effective ICT business continuity policy and plans and ICT response and recovery plans and a procedure to regularly test and review the adequacy and efficiency of such;
- g. a description of the internal control mechanisms which the applicant has established in order to comply with its anti-money laundering and counter terrorism financing obligations;
- h. a description of the applicant's structural organisation, including, where applicable, a description of the intended use of agents and branches and of the off-site and on-site checks that the applicant undertakes to perform on them at least annually, as well as a description of outsourcing arrangements;
- i. the identity of persons holding in the applicant, directly or indirectly, qualifying holdings within the applicant, the size of their holdings and evidence of their suitability taking into account the need to ensure the sound and prudent management of the applicant;
- j. the identity of directors and persons responsible for the management of the applicant and, where relevant, persons responsible for the management of the payment services activities of the applicant, as well as evidence that they are of good repute and possess appropriate knowledge and experience (a personal questionnaire needs to be submitted by each individual);
- k. where applicable, the identity of statutory auditors and audit firms as defined in Directive 2006/43/EC of the European Parliament and of the Council;
- l. the applicant's legal status and articles of association; and
- m. the address of the applicant's head office.