

27 March 2020

**SSI – Supervisory Stimulus Package for Security and Development in the
area of capital market
- additional information**

As part of the UKNF's Supervisory Stimulus Package for Security and Development in the area of capital market, the UKNF in cooperation with the Ministry of Finance has prepared a number of solutions to support the orderly functioning of the capital market and to facilitate the operations of supervised entities.

The Draft Act amending the Act on special solutions related to the prevention, counteracting and combating of COVID-19, other infectious diseases and emergencies caused by them, and certain other statutory laws contains appropriate statutory amendments and provisions on the delegation of powers to the minister for financial institutions and the minister for public finance to extend the time limits for preparing, approving and publishing financial statements.

The Act is currently being debated in the Parliament.

Public companies

To facilitate compliance with regulatory requirements, amendments have been proposed to postpone, for 2 months, the time limits for:

- preparing and approving the annual financial statements and consolidated financial statements of the entities whose financial year ended on 31 December 2019;
- publishing the annual financial statements and consolidated financial statements for the financial year ended on 31 December 2019;
- submitting the quarterly reports and consolidated quarterly reports of issuers for the first quarter of the financial year starting on 1 January 2020;
(in this case, the time limit is extended for 60 days);
- holding the Annual General Meeting;
- approving the executive remuneration policy.

Investment fund management companies

In the area of investment funds and pension funds, a series of solutions have been adopted in relation to the financial statements of those entities, by extending, for 2 months, the time limits for:

- approving, and announcing the publication of, the annual financial statements of an investment fund and the annual financial statements combined with separate annual statements of sub-funds, immediately after their approval by the approving body;
- reviewing and approving the financial statements of a fund, financial statements of a fund combined with sub-funds, and the separate statements of the sub-funds;
- submitting to the KNF Board and the participants in the fund, at their request, the annual statements of the AIF prepared separately for each specialised open-end and closed-end investment fund;
- preparing the annual financial statements of a pension fund;
- the annual general meeting of a fund management company to approve the audited financial statements of a pension fund.

Investment firms

The amendments providing for a 2-month extension of time limits also apply to the requirements for investment firms to:

- prepare and approve the annual financial statements and the consolidated annual financial statements of brokerage houses;
- submit the preliminary annual financial statements and the preliminary consolidated annual financial statements of brokerage houses;
- verify, by a brokerage house, whether the parent of the brokerage house is a holding company, mixed financial holding company or mixed holding company, in particular where no audited and approved consolidated financial statements of the parent of the brokerage house are available;
- approve the executive remuneration policy.