KNF | KOMISJA NADZORU FINANSOWEGO

National Bank of Ukraine

MEMORANDUM OF UNDERSTANDING
regarding cooperation and exchange of information in the field of supervision of the insurance and reinsurance market

concluded by and between

Komisja Nadzoru Finansowego

and

the National Bank of Ukraine

Komisja Nadzoru Finansowego (the KNF) – the Polish Financial Supervision Authority
and
the National Bank of Ukraine (the NBU) – the central bank of Ukraine,

considering the growing international activity on the insurance and reinsurance markets and acknowledging the resulting need for cooperation between relevant supervisory authorities, which cooperation is by its means aimed at enhancing the effectiveness of the tasks, provided for by relevant legal regulations that the said Authorities perform in the territories of their countries,

resolve to conclude the following Memorandum of Understanding:

Article 1
Definitions

For the purpose of this Memorandum, the terms defined below shall have the following meaning:
(a) "Authority" shall mean:
  (i) the National Bank of Ukraine (the NBU) – the central bank of Ukraine in the case of Ukraine,
  (ii) Komisja Nadzoru Finansowego (the KNF) – the Polish Financial Supervision Authority in the case of the Republic of Poland;
(b) "Requested Authority" shall mean the Authority to which the request is submitted in compliance with provisions of Article 4;
(c) "Requesting Authority" shall mean the Authority that submits the request in compliance with provisions of Article 4;
(d) "Request" means a request for information and/or assistance, which the Requesting Authority makes to the Requested Authority in conformity with the purposes of this Memorandum;
(e) "Response" means information and/or assistance which the Requested Authority delivers to the requesting Authority in conformity with the purposes of this Memorandum;
(f) "supervised entities" shall mean entities over which the Authority performs supervision, pursuant to relevant legal regulations concerning the supervision of insurance and reinsurance market;
(g) "legal regulations" shall mean the provisions of acts, regulations adopted to implement the acts - or other legal sources, including relevant policies and guidelines binding in Ukraine or in the Republic of Poland;
(h) "third party" shall mean a natural or legal person, or any other party that is not an Authority as defined in this Memorandum.

Article 2
Purpose of the Memorandum

1. The purpose of this Memorandum is cooperation, on the basis of reciprocity, in the exchange of information related to the supervision of insurance and reinsurance market to the extent reasonable and subject to all relevant national laws and international obligations of the Authorities.

2. The provisions of this Memorandum do not give any supervised entity the right to receive, refuse to provide, or conceal information, nor the right to demand the execution of a request for information in accordance with this Memorandum.

3. This Memorandum does not change nor replace the current national legislation of the countries of the Authorities. This Memorandum is without prejudice to any provisions or arrangements under other international agreements to which the countries of Authorities are parties.

Article 3
Scope of Cooperation

1. This Memorandum concerns cooperation between the NBU and the KNF in the field of supervision of insurance and reinsurance market.

2. The Authorities have agreed:
(a) to exchange with each other information they have at their disposal for the purpose of performing supervisory tasks;
(b) to refrain from sharing with any third parties the information obtained from the other Authority without receiving a prior written consent of that Authority. The subsequent dissemination of the information shall be carried out strictly within the limits of the granted consent;
(c) to make available the copies of documents that are relevant to supervisory functions and/or tasks of the other Authority (subject to the restrictions imposed by national law on disclosure of (access to) classified information);
(d) to undertake other legally acceptable actions to provide assistance and facilitate the performance of tasks on regulation and supervision of insurance and reinsurance activities by the other Authority.

3. For the purpose of implementation of the Memorandum, the Authorities may, subject to the restrictions and requirements provided for by national laws of the countries of the Authorities:
(a) exchange information on legal regulations in force in Ukraine and in Poland, on the implementation thereof, on the approved standards of activity performed by the supervised entities and on the standards of supervision over those entities;
(b) exchange information on supervised entities and other relevant supervisory information related to the supervision over these entities;
(c) exchange statistical data;
(d) share experience related to the performance of tasks carried out by the Authorities;
(e) share information on material developments affecting either the Ukrainian or the Polish insurance and reinsurance market, as well as views on regulatory and supervisory issues;
(f) organize joint research projects, seminars, conferences, study visits and working meetings on issues of mutual interest;
(g) assist each other in the establishment of contacts with insurance and reinsurance companies of the two countries.

4. When executing the provisions hereof, the Authorities shall take every effort to ensure the plausibly greatest degree of mutual usefulness and shall also strive to avoid any misunderstanding. Should a need arise, the Authorities shall undertake immediate consultations in order to enhance the effectiveness and the correctness of the execution of the provisions hereof.

Article 4
Request and Execution

1. The request shall take place upon a written application of one of the Authorities. The request should relate only to the performance by the Authorities of tasks related to the supervision of the activity of the insurance and reinsurance market participants and shall not violate or go beyond the legal regulations binding for the Requesting Authority or the Requested Authority. The request may take place only with the use of means available to the Requested Authority.

2. The request may refer to the information or document in the possession of the Requested Authority, or may relate to other matters as long as the request is permitted under relevant legal regulations.

3. When submitting the request, the Requesting Authority specifies in particular:
(a) the purpose and justification of the need to obtain information (where necessary, the request shall contain references to the national legislation, supervisory and regulatory conditions of the country of the requesting Authority etc.);
(b) the expected form of the response (transfer of information, access to a document, other forms of support);
(c) detailed scope of the request (type of information, specification of documents);
(d) the desired time period for reply;
(e) other information the Requesting Authority deems relevant.

4. The request shall be submitted, upon a written application, to the Requested Authority to its official email address and copied to its contact points. The Authorities shall exchange a list, to be updated as appropriate, of the contact points responsible for communication within the limits of this Memorandum upon its entry into force.

5. The Requested Authority shall review the application without undue delay, with the information referred to in paragraph 3 letter (d) above taken into consideration.

6. The Requested Authority shall refuse the request, in whole or in part:
(a) if the request has been submitted in violation of the provisions hereof,
(b) if the request remains outside the scope hereof,
(c) if the request could violate the legal obligations of the Requested Authority, or execution of the request contradicts legislation of the country of the Requested Authority,
(d) if it contradicts the public interest of the country of the Requested Authority, or its international obligations
(e) if it may otherwise be prejudicial to the performance by the Requested Authorities of its functions.

7. Should the request be refused in whole or in part, the Requested Authority shall specify the reasons for which the request was denied.

8. If the request cannot be executed for the reasons specified in paragraph 6 above, the Requested Authority shall undertake efforts aimed at satisfying the request in a different way, if only the powers at its disposal so allow. To this end, the Requested Authority shall previously consult the Requesting Authority.

9. The Authorities may, at any time, hold consultations and negotiations regarding a submitted or planned request.

Article 5
Taking Advantage of the Request

The Requesting Authority shall use the assistance provided to it only for the needs specified in the request. When providing assistance, the Requested Authority may specify detailed conditions for the use thereof, which conditions the Requesting Authority hereby undertakes to comply with.

Article 6
Confidentiality

1. The Requesting Authority shall ensure the confidentiality of information and documents it obtains within the scope of the request, unless the aim for which the request was provided determines otherwise. The Requesting Authority shall be held responsible for the use of information and

documents obtained within the scope of the request for a purpose other than that for which the request was submitted.

2. A prior written consent of the Requested Authority shall be obtained by the Requesting Authority for making the information and documents obtained within the scope of the request available to any third parties. In case the information provided under this Memorandum is disclosed to third parties (with a written consent of the Requested Authority), the Requesting Authority shall take responsibility to obtain assurance from the third parties about nondisclosure and protection of said information.

3. In case where the Authority is legally compelled to disclose information received under this Memorandum, the Authority shall notify in advance the Authority from which the information originated about such a compellability, and shall cooperate to preserve the confidentiality of the information to the extent permitted by legal regulations.

4. Either Authority may refuse to share information if this contradicts its legal regulations.

5. The Authorities shall also keep confidential any submissions of applications for the provision of assistance, unless the preceding paragraphs or a joint statement of the Authorities provide otherwise.

Article 7
Own Initiative

1. Any of the Authorities may provide the other Authority with specific information and documents upon its own initiative, as long as it deems that the Authority to which such information and documents are submitted should become acquainted therewith.

2. If a relevant reservation is made by the Authority submitting the aforementioned information and documents, the Authority to which such information and documents are submitted shall keep them confidential. In such a case the provisions of Article 6 shall apply accordingly.

Article 8
Final Provisions

1. Authorities have agreed to cooperate and exchange all information in English.

2. To improve cooperation under this Memorandum, the Authorities shall hold consultations and discussions on the implementation of the Memorandum.

3. All provisions herein contained shall be amended or abrogated with the mutual consent of both Authorities in a written form stating their date of entering into force.

4. The Memorandum shall remain in force until it is terminated by any of the Authorities upon a 30-day written notice submitted to the other Authority and informing that the provisions herein contained shall be no longer deemed effective. The termination of the Memorandum does not create obstacles in finalizing the projects that were approved before the end of the notice period unless the Authorities decide not to finalize such projects.

5. In the case of any institutional changes carried out either in Ukraine or in Poland, related to the transfer of supervisory powers to another public entity, the said entity shall notify in writing the other Authority about the entry in the rights and obligations of its predecessor stipulated by the provisions hereof. Such notification shall be made effective within 90 days from the entry into force of the institutional change, otherwise the Memorandum shall be deemed terminated.

6. The Memorandum shall be concluded in two originals in English.

7. The Memorandum shall enter into force on the date on which it is signed by both the Governor of the National Bank of Ukraine, and by Chair of the Board of the Polish Financial Supervision Authority or, if signed consecutively, on the date of the last signature.

8. The National Bank of Ukraine shall provide, on behalf of the Polish Financial Supervision Authority, an information clause to the persons designated by the National Bank of Ukraine to cooperate on the basis of this the Memorandum of Understanding. The text of the clause constitutes Appendix to this Memorandum.

On behalf of and for

Komisja Nadzoru Finansowego

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By Jacek Jastrzębski, Chair of the Board

Dated: 30.09.2021

On behalf of and for

the National Bank of Ukraine

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By Kyrylo Shevchenko, the Governor

Dated: 20.09.21

Appendix to the MEMORANDUM OF UNDERSTANDING regarding cooperation and exchange of information in the field of supervision of the insurance and reinsurance market concluded by and between the National Bank of Ukraine and Komisja Nadzoru Finansowego

Information clause for representatives of the National Bank of Ukraine and for persons designated by the National Bank of Ukraine to cooperate for the performance of the Memorandum of Understanding on the cooperation and exchange of information in the area of supervision of the insurance and reinsurance market

Under Article 13(1) and (2) and Article 14(1) and (2) of *Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC* (General Data Protection Regulation), hereinafter referred to as 'GDPR', please be informed that:

1. The Controller of personal data shall be the Polish Financial Supervision Authority ('Controller') with its registered office in Warsaw (00-549), at Piękna 20. You may contact the Controller in writing by submitting your letter to: Piękna 20, skr. poczt. nr 419, 00-549 Warsaw, or by e-mail to: knf@knf.gov.pl.
2. The Controller provides the possibility of contacting the Data Protection Officer by e-mail (iod@knf.gov.pl) or by post (by sending a letter to the Controller's correspondence address).
3. Personal data shall be stored for 25 years, in accordance with the applicable laws and internal regulations specifying the mandatory storage period for documents.
4. The purpose and legal basis of personal data processing in relation to the representatives of the National Bank of Ukraine and to the contact persons for the Memorandum of Understanding shall be:
    1) Article 6(1)(f) of GDPR, i.e. the legitimate interest pursued by the Controller consisting in the processing of personal data for the purposes related to the performance of the Memorandum of Understanding,
    2) Article 6(1)(c) of GDPR, i.e. the need to process data to comply with the Controller's legal obligation under the Act of 14 July 1983 on national archive resources and archives (Journal of Law 2020 item 164), in connection with the need to archive documents,
    3) Article 6(1)(f) of GDPR, i.e. the legitimate interest pursued by the Controller consisting in the need to determine, pursue or defend against any claim.
5. Where data have not been obtained directly from data subjects, such data shall be deemed to have been submitted by the National Bank of Ukraine or persons designated by the National Bank of Ukraine to perform the Memorandum of Understanding. Personal data submitted to the Controller usually include: forename and surname, job title or function and official contact details, such as e-mail address and phone number.
6. Where data are obtained directly from data subjects, the data shall be given freely but they are necessary for the purpose of cooperation for the performance of the Memorandum.
7. Personal data may be received by public administration bodies and/or other entities authorised under the law or performing tasks carried out in the public interest or in the

exercise of official authority, entities providing services to the Controller, including IT services, and as part of the correspondence being exchanged.

8. The Controller does not intend to forward personal data to recipients outside the European Economic Area or to international organisations.
9. In cases specified in provisions of law, a data subject shall have the right of access to their personal data, the right to rectification, to erasure, to restriction of processing, and the right to object to the processing of personal data.
10. If you find that the processing of personal data infringes provisions of law, you have the right to lodge a complaint to the President of the Personal Data Protection Office (PL: Urząd Ochrony Danych Osobowych).
11. No personal data shall be used in automated decision-making in individual cases, including in profiling.