

National Reserve Bank of Tonga

APPLICATION
FOR A LICENCE TO COMMENCE BANKING BUSINESS
AND ESTABLISH A FINANCIAL INSTITUTION
IN TONGA

Form 1

(As required under Section 6 of the Financial Institution Act 2004)

SUBMITTED FOR:

(Name of Applicant):

CONTACT PERSON:

(Name, position title & company, address, telephone and fax nos. and email address of person (s) to be contacted regarding this application)

1. Ownership Structure

a. Applicant History

- i. Date of establishment: _____
- ii. Country of establishment: _____
- iii. Company Registration Number: _____
- iv. Other Related entities: _____

b. Structure of capital

- i. Type and number of authorized shares: _____
- ii. Type and number of paid in capital: _____
- iii. Paid in Premium if any: _____
- iv. Par value per type of share: _____

Submit as **Annex A**, a written commitment to observe minimum capital¹ OR evidence to maintain minimum capital²

c. (i) List of shareholders as at date of application³

Shareholders	Number of Shareholders	Percentage of Shares to Total
Tongan Residents		
Tongan Government		
Tongan Public Enterprises		
Corporations & Partnerships		
Individuals		
Other (describe)		
Subtotal: Tongan Residents		
Non-Residents		
Foreign Governments		
Public Enterprises		
Corporations & Partnerships		
Individuals		
Subtotal: Non-Residents		
Total⁴		100.0 %

¹ If applicant is a local company

² If applicant is an overseas company – refer to Guidelines Section II, part 1.b for further details

³ Refer to Guidelines Section II, part 1.c

⁴ The total refers to number of shares constituting paid-in capital. Total for 1 c. (i) and (ii) must be the same and used as basis for computing the percentage of shares to total.

(ii) List of Shareholders⁵

Name	Number of Shares	Percentage of Shares to Total
Total	#	100.00%

- d. Submit as **Annex B**, a written commitment from Shareholders holding more than 10% of voting shares⁶.
- e. Submit **Bio-data sheets**, (go to **Form 2**), for Corporate Shareholders.

2. Board and Managementa. List of Directors⁷

Name

- b. Submit as **Annex C**, an **Organizational Chart**⁸
- c. Submit **Bio-data sheets**, (go to **Form 3**), for Directors and Senior Management⁹

⁵ Provide a complete listing of all proposed shareholders. Shareholders within second degree of consanguinity or affinity must be indicated.

⁶ Refer to Guidelines Section II, part 1.d

⁷ Refer to Guidelines Section II, part 2.a

⁸ refer to Guidelines Section II, part 2.b

⁹ As defined under Guidelines Section II, part 2.c

3. Business of the Applicant

- a. Submit a detailed **Business Plan**, which should be in accordance with the formats prescribed in **Form 4**.
- b. Proposed date of Commencement of operations: _____

4. Prudential Management

- a. Submit as **Annex D**, a Board Resolution or Written Undertaking (if foreign incorporated) stating that if granted a license, depositors and creditors of the Tongan operation shall have priority with respect to the assets of the licenced financial institution in the case of bankruptcy or dissolution of the parent company of head office.
- b. Submit as **Annex E**, a Board Resolution or Written Undertaking (if foreign incorporated) stating that if granted a license, the applicant will comply with all rules, regulations, laws and prudential requirements from the commencement of the operations.
- c. Submit as **Annex F**, a Written Undertaking (if foreign incorporated) to keep the Reserve Bank informed of any significant developments adversely affecting its financial soundness and/or reputation globally, and to provide promptly to the Reserve Bank copies of its published financial accounts and any significant media releases.
- d. Submit as **Annex G** (with sub-annexes as may be necessary) manuals or if not available, full Detailed Policies and Procedures of the risk management accounting and internal control systems, including operating policies¹⁰.
- e. Submit as **Annex H**, applicant intentions for Internal and External audit of the Tongan Operations.

5. Other

- a. Submit as **Annex I**, a Board Resolution or Written Undertaking (if foreign incorporated) on agreement to organize a Financial Institution.
- b. Submit as **Annex J**, a signed and notarized constitution or memorandum and articles of association.
- c. Submit as **Annex K**, an external auditor's certificate verifying the level of capital of the applicant.
- d. Submit as **Annex L**, an outline of detailed operational expenses expected to be incurred (to be confirmed by an external auditor).
- e. Submit as **Annex M**, a Board Resolution or Written Undertaking (if foreign incorporated) appointing authorized representative for the purposes of the application.

¹⁰ Pertains only to whatever is applicable to the local branch of foreign licensee. Refer to Guidelines Section II, part 4.d, 4.f. and 4.g.

DECLARATION

We the undersigned/authorized representatives and/or members of the Board of Directors of the applicant bank, declare under penalty of perjury under the laws of the Kingdom of Tonga and any other sanction available under the Financial Institution Act 2004 and any amendments thereof, that the preceding application and the attached supporting documentation are true and correct to the best of our knowledge.

We further declare that to the best of our knowledge and belief there are no other facts or information relevant to this application of which the National Reserve Bank of Tonga should be aware, and we pledge to promptly inform the National Reserve Bank of Tonga of any changes material to this application which may arise while it is being considered by the National Reserve Bank of Tonga.

Signed this _____ day of _____, 20

(Type Full Name and Title)

(Signature)

(Type Full Name and Title)

(Signature)

(Type Full Name and Title)

(Signature)

(Type Full Name and Title)

(Signature)

(Type Full Name and Title)

(Signature)

Subscribed and sworn to before me this _____ day of _____, 20 ____

(Seal)

(Signature over printed name of Commissioner of Oath)

[Form Bank License - AS]

ADDITIONAL SHEET NO. _____¹¹

Reference Form and Item No. ¹² _____

(Name of Applicant Bank)

¹¹ This Additional Sheet form may be used if response space for a specific item in any Form to be completed is inadequate. For **each** Form, Additional Sheets used must be numbered chronologically. The Additional Sheet number must be cross- referenced in the response space of the Form and item number to which the Additional Sheet refers.

¹² The Form and Item numbers to which an Additional Sheet refers must be specified e.g. Form 1, Item XX. The format, if any, of the specific item to which an Additional Sheet is used should be followed for information/data to be provided.