

This is an English translation.

The original Icelandic text, as published in the Law Gazette (Stjórnartíðindi), is the authoritative text. Should there be discrepancy between this translation and the authoritative text, the latter prevails.

Regulation No. 562/2001 on the Consultative Committee of Regulated Entities

Article 1

Composition

A special consultative committee composed of representatives from regulated entities shall operate in conjunction with the Financial Supervisory Authority.

The Minister of Business Affairs shall appoint members of the consultative committee for a term of three years in accordance with the nominations of regulated entities. The committee shall be composed of three members nominated by the Bankers and Securities Dealers' Association, one nominated by the Icelandic Savings Banks' Association, one by the National Association of Pension Funds and one nominated jointly by the companies and individuals that are engaged in insurance brokerage, the Icelandic Quota Exchange, the Iceland Stock Exchange and the Icelandic Securities Depository.

Up to two members may be added to the committee if a request to such effect is made by parties subject to supervision by the Financial Supervisory Authority which are not listed in paragraph 2, subject to the approval of a majority of committee members.

The committee shall select a chairman. The committee shall notify the identity of the committee chairman and the committee's address to the Minister of Business Affairs and the Financial Supervisory Authority.

Article 2

Role

The consultative committee is a forum for regulated entities to express their views concerning the procedures and operation of the Financial Supervisory Authority.

The committee does not have powers of decision in the affairs of the Financial Supervisory Authority.

Article 3

Meetings with the Financial Supervisory Authority

The executives of the Financial Supervisory Authority shall hold regular meetings with the consultative committee. The Financial Supervisory Authority shall call meetings with the committee at least twice a year. On the one hand, the meetings shall address the policy and principal points of emphasis of the Financial Supervisory Authority's operations and, on the other hand, a report on the estimated operating expenses for the coming year in accordance with Article 4.

Article 4

Opinion regarding the estimated scope of operations

Regulated entities shall pay the cost of operating the Financial Supervisory Authority in accordance with the provisions of Act No. 99/1999 on the payment of costs for public supervision of financial activities.

The Financial Supervisory Authority shall, no later than 15 September each year, submit a report to the Minister of Business Affairs on the estimated operating costs for the coming year. The report shall, furthermore, assess the development of its operations over the three preceding years, having regard for the time which may be estimated to have been spent on the different classes of regulated entities.

The report of the Financial Supervisory Authority shall be accompanied by an opinion from the Consultative Committee of Regulated Entities concerning the estimated scope of operations for the coming year together with the reaction of the Board of the Authority to this opinion. In order for the consultative committee to be able to give its opinion, the Financial Supervisory Authority must, no later than 15 August each year, provide the committee with information on the estimated scope of operations together with notes on the main operating items.

If the conclusion of the report gives reason to change the percentage rate of the supervision fee, the Minister of Business Affairs shall submit a legislative bill to such effect to the Althingi. The report of the Financial Supervisory Authority, together with the opinion of the consultative committee, shall accompany the bill in the form of attachments.

Article 5

Costs

Neither the Ministry nor the Financial Supervisory Authority shall pay the cost of the consultative committee's work.

Article 6

Entry into force

This Regulation is issued with reference to Article 7 of Act No. 87/1998 on official supervision of financial activities and Article 9 of Act No. 99/1999 on the payment of costs for public supervision of financial activities, and is effective immediately.