



		The Cyprus Securities and Exchange Commission, in accordance with the powers vested in it by virtue of section 96 of the Investment Services and Activities and Regulated Markets Law of 2017, issues the following Directive:
Short title	1.	This Directive will be cited as the Directive on the provision of crowdfunding services in respect of transferable securities
Interpretation	2.	For the purpose of this Directive, unless the context otherwise requires
		«marketing communications» means any information or communication from a CIF acting as crowdfunding service provider to a client or prospective client about the crowdfunding services of the CIF in respect of transferable securities
		«Involved persons» means any of the shareholders of the CIF acting as crowdfunding service provider holding a qualifying shareholding of at least 20%, any of its managers or employees, as well as any other person linked directly or by way of control with the aforesaid shareholders, managers or employees.
		«Key Investment Information Sheet» or «KIIS» means the key information sheet provided under Paragraph 10 of this Directive.
		«Investor» means any person that acquires transferable securities through a crowdfunding platform, from which platform the investment service under paragraph 1 of Part I of the First Annex to the Law as well as the ancillary service under paragraph 1 of Part II of the First Annex to the Law, are provided to such person
		«Project owner» means any person that seeks to fund its crowdfunding project through a crowdfunding platform from which platform the investment service under paragraph 7 of Part I of the First Annex to the Law is provided to such person, whereas in case of Subparagraph 5 of Paragraph 5 of the present Directive the ancillary service of Paragraph 3 of Part II of the First Annex to the Law is additionally provided from such platform to the said person
		«Prospectus Regulation» means Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC

	«Law» means the Investment Services and Activities and Regulated Markets Law of 2017 87(l) of 2017.
	«Directive» means the present Directive.
	«Crowdfunding service provider» or «provider» means a CIF providing crowdfunding services.
	«Client» means any natural or legal persons to which a CIF offers investment services and, where applicable, ancillary services.
	«Crowdfunding platform» means a publicly accessible internet-based electronic information system operated or managed by a crowdfunding service provider.
	«Crowdfunding offer» means any communication by a crowdfunding service provider that contains information which enables prospective investors to decide on the merits of investing into a crowdfunding project.
	«Relationship of control» means a situation in which two or more natural or legal persons are linked by control, i.e. by the relationship between a parent undertaking and a subsidiary, in all cases provided for under Article 22, paragraph 1 and 2, of Directive 2013/34/EU, or by a similar relationship between any natural or legal person and an undertaking, whereas any subsidiary of a subsidiary undertaking shall also be considered a subsidiary of the parent undertaking which is at the top of those undertakings.
	«Crowdfunding services» means the matching of business funding interest of investors and project owners through the use of a crowdfunding platform and which consist of the following investment services and all or any of the following ancillary services (as the case may be):
	(a) Reception and transmission of orders, as further provided under Paragraph 1 of Part I of the First Annex to the Law;
	(b) The placing of financial instruments without firm commitment, as further provided under Paragraph 7 of Part I of the First Annex to the Law; and
	(c) Safekeeping and administration of financial instruments for the account of clients, including custodianship and related services such as cash/collateral management as further provided for under Paragraph 1 of Part II of the First Annex to the Law
	(d) Provision of advice to undertakings on capital structure, industrial strategy and related matters and advice and services relating to mergers and the purchase of undertakings, as further provided for under Paragraph 3 of Part II of the First Annex to the Law.
	«crowdfunding project» means the business activity that a project owner funds or seeks to fund through the crowdfunding offer.

	«Special Purpose Vehicles» or «SPV» means entities whose sole purpose is to carry out a securitisation within the meaning of Article 1(2) of Regulation (EU) No 1075/2013 of the European Central Bank.		
	Without prejudice to the foregoing provisions, terms used in the present Directive and not construed otherwise, shall have the meaning ascribed thereto in the Law		
	Wherever reference is made to the Law in the present Directive, such reference shall also include any Commission Directive issued in its implementation as well as any other applicable Acts of the European Union.		
Subject matter and scope of application	3.	(1)	The Directive regulates the conditions and requirements regarding the provision of crowdfunding services in transferable securities by means of a crowdfunding platform
		(2)	The Directive applies to CIFs acting as crowdfunding service providers.
		(3)	(a)
			The Directive applies additionally and without prejudice to any other applicable obligations, by virtue of:
			i
			The Law or Regulation (EU) 600/2014 and of relevant delegated Acts or Directives and/or
			ii
			Law 242 of 2004 on distant marketing of financial services to consumers and/or
			iii
			The Prevention and Suppression of Money Laundering and Terrorist Financing Law and any Commission Directives issued in its implementation and/or
			iv
			Regulation (EU) 575/2013 and of relevant Delegated Acts and/or
			v
			Commission Directive DI 144-2014-14, DI 144-2014-14(A), DI 144-2007-15 and DI 144-2007-16,
			vi
			Any other applicable legislation or rules
		(b)	The Directive applies without prejudice to any obligations applicable under the Prospectus Regulation, the provisions of which prevail in case where a crowdfunding offer falls within the scope of application of the said Law.
PART II			

<b>ORGANISATIONAL PROVISIONS</b>			
Conditions for taking up the provision of crowdfunding services in respect of transferable securities (Article 7(1) and 70(2)(l) of the Law)	4.	(1)	The provision of crowdfunding services by a provider, requires the prior consent of the Commission.
(Article 7(2) of the Law)		(2)	A CIF that wishes to operate as a crowdfunding services provider, must, prior to the commencement of such operations, submit the following information to the Commission by means of the relevant standardized Form, which is available on the Commission's website:
		(a)	A program of operations laying down the type of crowdfunding services to be provided as well as the policies and procedures for the selection of the crowdfunding projects.
		(b)	Description of the situations constituting operational risks.
		(c)	A description of the crowdfunding service provider's business continuity plan in respect of crowdfunding services, which, taking into account the nature, scale and complexity of the crowdfunding services provided by the crowdfunding service provider, establishes measures and procedures that ensure, in the event of failure of the systems of the crowdfunding service provider, the continuity of the provision of critical services related to existing investments and sound administration of agreements between the crowdfunding service provider and its clients.
		(d)	A description of the provider's outsourcing arrangements in respect of crowdfunding services, information on the entities to which the outsourcing has taken place and description of the outsourced operations to be discharged.
		(e)	Description of the provider's procedures to verify the completeness, accuracy and the clarity of information contained in the key investment information sheet.

		(f)	Description of the arrangements regarding the safe-keeping and administration of clients' financial instruments and funds.
		(g)	In case where the provider will also determine the price of the crowdfunding offer, the risk management framework that is designed to achieve compliance with the requirements on assessing credit risk, as these are laid down in subparagraph 5 of Paragraph 5 and of conducting a fair and appropriate valuation in respect with the relevant crowdfunding project.
		(h)	Description of the arrangements for avoiding conflicts of interest, in particular as regards compliance with the prohibition provided under Paragraph 6 of the Directive and for avoiding and preventing conflicts of interest between clients.
		(i)	The details of the relevant persons involved in the provision of crowdfunding services.
(Article 7(3) and 70(2)(l) of the Law)		(3)	The Commission shall not grant its consent to a CIF to commence acting as a crowdfunding services provider unless and until it is totally satisfied that such CIF fully complies with the conditions and requirements laid down in the Directive. The Commission shall inform the CIF, within 6 months from complete file submission, whether such consent is granted or not.
(Article 7(1) and 25 (1) of the Law)		(4)	A CIF acting as crowdfunding services provider must maintain a website, through which the crowdfunding platform for the provision of crowdfunding services will be operated and which is exclusively owned and used by such CIF, without any other persons or entity being entitled or able to deploy any activity whatsoever on the said website.
		(5)	The provisions of the present Paragraph apply analogously in case of an applicant CIF intending to act as crowdfunding services provider.
		(6)	A CIF must pay to the Commission a fee of 3.500 Euro for the evaluation of the information submitted pursuant to this Paragraph.  Where such information is submitted to the Commission by a CIF which is also extending its authorization or by an applicant

			CIF, only the fees provided for in Directive DI 87-03 shall be paid to the Commission.
			<b>PART III CONDUCT OF BUSINESS RULES FOR CIFs ACTING AS CROWDFUNDING SERVICES PROVIDERS IN RESPECT OF TRANSFERABLE SECURITIES</b>
Provision of crowdfunding services (Article 22 of the Law)	5.	(1)	The crowdfunding services provider shall regularly assess its compliance with the requirements laid down in Paragraph 4 and inform the Commission accordingly.
(Articles 17(3)(a), 24(1) and 25(1) of the Law)		(2)	A provider is not allowed to offer the investment services of portfolio management, as the latter is defined in Paragraph 4 of Part I of the First Annex to the Law and of investment advice, as the latter is defined in Paragraph 5 of Part I of the First Annex to the Law, in relation to any crowdfunding project on its platform.
(Article 28(2) of the Law)		(3)	A crowdfunding services provider shall not receive any remuneration, discount or nonmonetary benefit for routing investor orders to a particular crowdfunding project either on the crowdfunding platform managed or operated by it, or to a crowdfunding platform managed or operated by any other person.
(Article 17(3)(a), 24(1) and 25(1) of the Law)		(4)	Where the provision of crowdfunding services takes place through a special purpose vehicle, only one illiquid or indivisible asset can be offered through such a special purpose vehicle. This requirement shall apply on a look-through basis to the underlying illiquid or indivisible asset held by financial or legal structures fully or partially owned or controlled by the special purpose vehicle. The decision to take exposure to the underlying illiquid or indivisible asset shall exclusively lie with investors.
(Articles 17(5)(b) and 25(1) of the Law)		(5)	In case where a crowdfunding services provider also determines the price of a crowdfunding offer, it additionally must:
		(a)	Undertake, prior to the launch of a crowdfunding offer, a reasonable assessment of the credit risk of the crowdfunding project or of the project owner before the crowdfunding offer is made, including by considering the risk that the crowdfunding project or the project owner will not make one or more repayments in case of a bond or other form of securitised debt by the due date.

		(b)	<p>Base its credit risk assessment on sufficient information, including on audited accounts covering the two latest financial years, if available:</p> <p>(i) of which the provider is aware at the time the credit risk assessment is carried out;</p> <p>(ii) Which have been obtained, where appropriate, from the crowdfunding project or project owner, and, where necessary, any other relevant sources of information; and</p> <p>(iii) Which enables the provider to carry out a reasonable credit risk assessment.</p>
		(c)	<p>Establish, implement and maintain clear and effective policies and procedures to enable it to carry out a reasonable credit risk assessment, and publish those policies and procedures.</p>
		(d)	<p>Ensure that the relevant valuation is fair and appropriate</p>
		(e)	<p>Have and use a risk management framework that is designed to achieve compliance with the requirements in points (a) to (d) of this Subparagraph.</p>
(Articles 17(5)(b) and 25(1) of the Law)		(6)	<p>The provider must also conduct a due diligence on the project owners.</p>
(Articles 17(5)(b) and 25(1) of the Law)		(7)	<p>The due diligence check provided under the previous Subparagraph, must include all of the following as a minimum:</p>
		(a)	<p>Written evidence by means of a clean criminal record and a non-bankruptcy certificate or other equivalent official documentation that the project owner, including the latter's ultimate beneficial owners and the persons effectively conducting its business, where applicable, has no criminal record regarding infringements of:</p> <p>(i) Commercial law;</p> <p>(ii) Applicable national insolvency law;</p> <p>(iii) Applicable national financial services law;</p>



			<p>(iv) Anti-money laundering law, as further defined under Directive (EU) 2015/489;</p> <p>(v) Fraud law; or</p> <p>(vi) Professional liability obligations (as the case may be).</p>
		(b)	<p>Written evidence that the project owner:</p> <p>(i) is not established in a non-cooperative jurisdiction, as recognised by the relevant Union Institutions, or in a high-risk third country pursuant to Article 9(2) of Directive (EU) 2015/849</p> <p>(ii) Effectively complies with European Union or internationally agreed tax standards on transparency and exchange of information, in particular with Article 26 of the OECD Model Tax Convention.</p>
		(c)	That the provider is reasonably satisfied as to the completeness, accuracy and clarity of the KIIS provided under Paragraph 10.
		(d)	Disclosure by the project owner whether the crowdfunding project in question has been offered by means of a platform operated by another crowdfunding service provider in the past and whether the said project has failed to reach its capital target.
		(e)	Disclosure by the project owner whether the crowdfunding project in question is being or will be offered (as the case may be) by means of a platform operated by another crowdfunding service provider.
		(8)	The provider shall not accept crowdfunding projects on its platform, when the requirements of Subparagraph 7 are not fulfilled.
		(9)	The provider must maintain a record of each facilitated crowdfunding offer sufficient to demonstrate that:
		(a)	It complies with the requirements of lit. (a)-(b) of Subparagraph 5 of the present Paragraph.
		(b)	The valuation of the crowdfunding offer was fair and appropriate in line with the risk management framework

			<p>laid down in lit. (e) of Subparagraph 5 of the present Paragraph.</p> <p>(c) It complies with the minimum due diligence requirements laid down in Subparagraphs (6)-(8) of the present Paragraph</p>
Conflicts of interest (Articles 17(3)(a), 24(1), 24(2), 25(1) of the Law	6.	(1)	A provider must establish and implement effective internal rules for the avoidance of conflicts of interest.
		(2)	Without prejudice to the obligation laid down in Subparagraph (4) of Paragraph 4 of the Directive, the provider shall not have any participation in any crowdfunding offer on the crowdfunding platforms managed or operated by it.
		(3)	The provider shall not accept any of the involved persons as a project owner in relation to a crowdfunding project on the platform managed or operated by it.
		(4)	A provider that accepts any of the involved persons as investors in the projects offered on the crowdfunding platform managed or operated by it, shall fully disclose this on their website, including the specific offers invested in, and shall ensure that these investments are made under the same conditions as those of other investors and that these investors do not enjoy any preferential treatment or privileged access to information.
		(5)	A provider must take all reasonable steps to identify, prevent or manage, and publish conflicts of interest between:
		(a)	Itself, including its shareholders, managers and employees or any person directly or indirectly linked to the aforesaid by control and its clients; or
		(b)	Two of its clients.
		(6)	The provider shall clearly disclose to its clients the general nature and/or sources of conflicts of interest and the steps taken to mitigate those risks. The said disclosure shall take place by means of a durable medium and shall include sufficient information, based on the nature and the categorization of the client, so as the latter to take a circumstantiated decision about the service, in the context of which the conflicts of interest arise.

Safe-keeping of transferable securities  (Article 17(8) and 17(9) of the Law)	7.	(1)	The safe-keeping of the transferable securities acquired in the context of crowdfunding services, shall take place by the crowdfunding services provider, which shall transfer to the project owner the funds received as consideration for the said transferable securities, only after:
			(a) The funding target, as laid down in the KIS has been met; and
			(b) The transferable securities have been either physically delivered to the crowdfunding service provider or sufficient evidence of transfer of ownership to the relevant investors has been made available to the crowdfunding services provider.
			For the avoidance of doubt, any funds received by the crowdfunding service provider by investors for the acquisition of transferable securities in the context of crowdfunding services, shall be treated as clients' funds, in accordance with the relevant provisions of the Law.
		(2)	Transferable securities offered by means of a crowdfunding platform that can be registered in a financial instruments account in the name of the client and all financial instruments that can be physically delivered to the crowdfunding services provider shall be held in custody.
		(3)	Transferable securities offered by means of a crowdfunding platform that cannot be registered in a financial instruments account opened in the name of the client or cannot be physically delivered to the crowdfunding services provider it shall be subject to ownership verification and record-keeping.
Article 17(5)(a) and 17(8) of the Law		(4)	In order to comply with its ownership verification and record-keeping obligations under Subparagraph (3), a provider shall ensure the following as a minimum:
			(a) Receive from the clients without undue delay all relevant information it needs in order to perform its ownership verification and record-keeping duties, including relevant information held by third parties.
			(b) Receive from the clients sufficient and reliable information, which would lead an industry professional to reasonably conclude that the client has an ownership right over the transferable security subject to ownership verification and record keeping.

		(c)	<p>Maintain a record of those transferable securities for which it is satisfied that the client holds the ownership. In order to comply with this obligation, the provider shall ensure that:</p> <p>(i) It registers in its record the name of the client and the transferable securities, including their respective notional amounts, for which it is satisfied that the client holds the ownership;</p> <p>(ii) It is able to provide at any time a comprehensive and up to-date inventory of the client's transferable securities, including their respective notional amounts;</p> <p>(iii) For the purpose of fulfilling the requirements of the previous point (ii), the provider shall ensure that there are procedures in place so that registered transferable securities cannot be assigned, transferred, exchanged or delivered without the provider having been informed of such transactions and that the provider shall have access without undue delay to documentary evidence of each such transaction.</p>
		(d)	Set up and implement escalation procedures for situations where an anomaly is detected including notification of the client if the situation cannot be clarified and, as the case may be, or corrected.
		(e)	The ownership verification and record-keeping duties of the previous Subparagraphs shall apply on a look-through basis, in case the provision of crowdfunding takes place by means of an spv, as further laid down in Subparagraph (4) of Paragraph 5.
(Article 25(3)(a) of the Law)		(5)	The provider shall, when providing safe-keeping of transferable securities in the context of crowdfunding services, inform its clients the nature and terms and conditions for these asset safekeeping services, including references to applicable national law
		PART IV	
		<b>TRANSPARENCY OBLIGATIONS</b>	
Provision of information to clients and conducting due diligence (Articles 25(3), 25(4)(a)(ii),	8.	(1)	All information, including marketing communications, addressed to clients or potential clients about the CIF acting as crowdfunding service provider, about the costs and charges related to crowdfunding services or investments, the crowdfunding conditions, including crowdfunding project selection criteria, or about the nature of and risks associated

25(4)(a) (iii), and 25(5) of the Law)			with their crowdfunding services shall be clear, comprehensible, complete and correct.
		(2)	The provider shall publish the information required under the previous Subparagraph, on a clearly designated place of the website provided under Subparagraph (4) of Paragraph 4.
		(3)	The provider shall provide to potential clients the information referred to in the previous Subparagraph before entering into a transaction with them.
Entry knowledge test and simulation of the ability to bear loss (Article 26(3) of the Law)	9.	(1)	The provider shall, before giving prospective investors full access to invest in the crowdfunding projects on its crowdfunding platform, assess whether and which crowdfunding services offered are appropriate for the prospective investors.
		(2)	For the purposes of the assessment of Subparagraph (1), the provider shall request information about the prospective investor's basic knowledge and understanding of risk in investing in general and in the types of investments offered on the crowdfunding platform, including information about:
		(a)	The past investments in transferable securities, including in early or expansion stage businesses.
		(b)	Any relevant knowledge or professional experience in relation to crowdfunding investments.
		(3)	The crowdfunding services provider shall review the aforesaid assessment every two years.
		(4)	Where prospective investors do not provide the information required pursuant to Subparagraph (1) of the present Paragraph, or where the crowdfunding services provider considers, on the basis of the information received under Subparagraph (1) of the present Paragraph, that the prospective investor has insufficient knowledge, then it shall:
		(a)	Inform those prospective investors that the services offered on its platforms may be inappropriate for them; and

		(b)	Give them a relevant warning.
		(5)	Prospective investors shall expressly acknowledge that they have received and understood the warning issued by the provider under Subparagraph 4, on a durable medium.
(Article 25(1) of the Law)		(6)	The crowdfunding services provider, shall at all times offer investors or prospective investors that also qualify as retail clients, the possibility to simulate their ability to bear loss, calculated as 10% of their net worth, based on the following information:
		(a)	Regular income and total income, and whether the income is earned on a permanent or temporary basis.
		(b)	Assets, including financial investments, personal and investment property, pension funds and any cash deposits.
		(c)	Financial commitments, including regular, existing or future.
		(7)	Irrespective of the results of the simulation under Subparagraph (6) of the present Paragraph, prospective investors and investors having availed of the said simulation, shall not be prevented from investing in crowdfunding projects on the crowdfunding platform of the provider; subject to the provider requiring them to confirm and declare that they have received and understood the results of the said simulation.
Key Information Sheet (Articles 25(2)(b), 25(3), 25(4)(a)(ii), 25(4)(a) (iii), and 25(5) of the Law)	10.	(1)	It is a mandatory prerequisite that the provider requires project owners to submit to it a KIIS, which fully complies with the requirements of the present Paragraph before a crowdfunding offer is made available to prospective investors; and that the provider renders to prospective investors the respective KIIS for each crowdfunding offer.
		(2)	The KIIS is drawn up under the responsibility of the project owner, including the natural persons which are, under the applicable national law, responsible for conducting the project owner's business (where applicable) and must bear the full name and signature of the said natural persons.
		(3)	The key investment information sheet shall be drafted in at least Greek or English language.
		(4)	The obligation of Subparagraph (3) applies without prejudice and in addition to any other requirements in case of cross-border offer, provided under the relevant national law.

		(5)	The KIIS must include all of the following information as a minimum:
		(a)	The information set out in Annex I of the Directive under observance of the numbering and topical order mentioned therein
		(b)	<p>The following risk warning:</p> <p><i>«This crowdfunding offer has been neither verified nor approved by CySEC or any other competent authority.</i></p> <p><i>The appropriateness of your education and knowledge have not necessarily been assessed before you were granted access to this investment. By making this investment, you assume full risk of taking this investment, including the risk of partial or entire loss of the money invested</i></p> <p><i>Investment in this crowdfunding project entails risks.</i></p> <p><i>You may not receive any return on your investment</i></p> <p><i>This is not a saving product and you should not invest more than 10% of your net wealth in crowdfunding projects.</i></p> <p><i>You may not be able to sell the investment when you wish»</i></p>
		(6)	The key investment information sheet shall be clear, comprehensible, complete and correct and shall not contain any footnotes, other than those with quotation of the applicable law. It shall be presented in a stand-alone, durable medium which is clearly distinguishable from marketing communications and consist of maximum 6 sides of A4-sized paper format if printed.
		(7)	The provider shall request the project owner to notify any change of information in order to be able to keep the key investment information sheet updated at all times and for the duration of the crowdfunding offer. The investors who have put forward interest for the crowdfunding offer shall be immediately informed about any material change to the information in the key investment information sheet.

		(8)	The provider shall have in place and apply adequate procedures to verify the completeness, accuracy and the clarity of the information contained in the key investment information sheet.
		(9)	(a) When the provider identifies a material omission, a material mistake or a material inaccuracy in the key investment information sheet, must immediately inform the project owner and the project owner shall complement or amend that information without undue delay.
			(b) When the provider identifies a material omission, a material mistake or a material inaccuracy in the key investment information sheet, then it must suspend the crowdfunding offer relating to that key investment information sheet until it has been complemented or amended for a period of no longer than 30 calendar days.
		(10)	(a) The provider shall immediately inform the investors who have put forward interest for the crowdfunding offer about the identified irregularities, the steps taken and further to be taken by the provider and the option to withdraw their interest for the crowdfunding offer within a reasonable deadline set to this end.
			(b) If after one month the key investment information sheet has not been complemented or amended to rectify irregularities, then the provider shall cancel the crowdfunding offer and inform the investors thereof by means of a durable medium without undue delay.
		(11)	The provider shall make available the KIIS to the Commission at least (7) business days before it is made available to potential investors.
		(12)	The obligation to draw up and make available/submit a KIIS applies without prejudice to the obligation to draw up and submit a KID in accordance with Regulation (EU) 1286/2014, where applicable.
Bulletin board (Articles 25(3), 25(4)(a)(ii), 25(4)(a) (iii) and 25(5)) of the Law)	11.	(1)	The provider may operate a bulletin board on which it allows its clients to advertise interest to buy and sell transferable securities for crowdfunding purposes which were originally offered on their crowdfunding platforms. The said bulletin board cannot be used to bring together buying and selling interest on transferable securities by means of the provider's protocols or internal operating procedures in a way that results



			in a contract. The bulletin board shall therefore not consist of an internal matching system which executes client orders on a multilateral basis.
		(2)	A provider that allows the advertisement referred to in Subparagraph (1), shall inform its clients about the nature of the bulletin board in accordance and shall require that clients advertising a sale of a transferable security, in accordance with Subparagraph (1) to also make available the respective key investor information sheet.
		(3)	A provider that allows the advertisement of the interests referred to in Subparagraph (1) of the present Paragraph and that provides asset safekeeping services in accordance with Paragraph 7 of the Directive, shall require its clients advertising such interest to notify it of any changes in ownership for the purposes of conducting ownership verification and record-keeping.
		(4)	A provider that allows the advertisement of buying and selling interests as referred to in Subparagraph (1) of the present Paragraph, while also suggesting a reference price for the said buying and selling interests, shall:
		(a)	inform its clients that the suggested reference price is non-binding.
		(b)	substantiate the suggested reference price.
		(c)	disclose key elements of the methodology.
		(5)	Where the matching of clients' orders takes place by means of a system managed or operated by the provider, then the provider must comply with the provisions of the Law relating to the operations of such system, including obtaining the require operational license.
Record-keeping obligations and access to records (Articles 17(6), and 26(5) of the Law)	12.		The crowdfunding services provider shall:
		(1)	keep all records related to crowdfunding services and relevant transactions during the provision of such services to its clients on a durable medium for five years following termination of the relationship with the relevant clients.

		(2)	Ensure that its clients have immediate access to records of the services provided to them at all times.
		(3)	maintain on a durable medium all agreements between the CIF and its clients throughout the business relationship and for five years following its termination.
Marketing communications (Article 25(1), 25(3), 25(4)(a)(ii), 25(4)(a) (iii) and 25(5) of the Law)	13.	(1)	The crowdfunding services provider shall ensure that all marketing communications are clearly identifiable as such.
		(2)	The CIF shall further ensure that the content of marketing communications is fair, clear and not misleading and consistent with the information contained in the key investment information sheet, where already available; or with the information required to be in the key investment information sheet, where the key investment information sheet is yet to be made available.
		(3)	Marketing communications are written in Greek or English language. The said obligation applies without prejudice to any additional obligations provided for under the legislation of EU host Member States or third countries (as the case may be), to produce such communications in a language accepted by the competent authorities of such Member State or third country in which the provider advertises a crowdfunding offer.
		(4)	Without prejudice to the generality of the foregoing, the crowdfunding service provider must suspend and/or cancel a crowdfunding offer on its platform, where it comes to its attention that a project owner at its own initiative or a third person acting on the latter's behalf, carries out promotional activities of the relevant offer, which are:
		(a)	Inconsistent with the information provided for in the KIIS or;
		(b)	Otherwise misleading or false or inaccurate.
Part VI			
FINAL PROVISIONS			

Entry into force.	14.	The Directive enters into force following its publication on the Official Gazette of the Republic.
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I. Part A: Information about the project owner and the crowdfunding project

A. Identity, legal status, ownership, management and contact details

i. All persons responsible for the information given in the KIIS. In the case of natural persons, including members of the project owner's administrative, management or supervisory bodies indicate, the name and function of the person; in case of legal persons indicate the name and the registered office.

ii. The following responsibility statement:

*«The project owner declares that, to the best of its knowledge, no information has been omitted and is materially misleading or inaccurate. The project owner is responsible for the preparation of this KIIS»*

B. Principal activities; products or services offered

C. A hyperlink to the most recent financial statement of the project owner, if available, and in case these are not available, when these are expected to become available

D. Description of the crowdfunding project, including its purpose and the main features.

II. Part B: Main features of the crowdfunding process and conditions for the capital raising

A. Minimum target capital to be raised or target funds to be borrowed in a single crowdfunding offering and the number of offerings that have been completed by the project owner or the CIF for the crowdfunding project

B. Deadline for reaching the target to raise capital

C. Information on the consequences if the target capital is not raised by the deadline

D. The maximum offering amount when different from the target capital set out in point A of Part B.

E. Amount of own funds committed to the crowdfunding project by the project owner. Where such commitment has not taken place, a relevant negative statement has to be included.

F. Change of the composition of the project owner's capital.

H. The existence (or the absence) and conditions of a pre-contractual reflection and/or withdrawal period for investors who qualify as retail clients.

III. Part C: Risk Factors

Presentation of the main risks associated with funding the crowdfunding project, with the sector, the project owner and the transferable securities, including geographic risks, where relevant.

#### IV. Part D: Information related to the offering of transferable securities

A Total amount and type of transferable securities to be offered

B. Subscription price.

C. Whether oversubscriptions are accepted and how they are allocated.

D. Terms of subscription and payment.

E. Custody and delivery of transferable securities to investors

F. Whether the investment is secured by a guarantor or collateral and in the affirmative:

(i) Whether that guarantor or collateral provider is a legal person;

(ii) The identity, legal status and contact details of that guarantor or collateral provider;

(iii) Information on the nature and the terms of the guarantee or collateral;

Where the investment is not secured by a guarantor or collateral, a relevant negative statement has to be included.

G. Where applicable, a firm commitment to buy back the transferable securities or admitted instruments for crowdfunding purposes and the time period for such a buy-back.

H. For non-equity instruments, the nominal interest rate, the date from which interest becomes payable, the due dates for interest payments, the maturity date and the applicable yield.

#### V. Part E: SPV information

A. Whether and to what extent there is an SPV interposed between the project owner and the investor;

B. Contact details of the SPV.

Where no SPV is interposed, a relevant negative statement to this end to be included.

#### VI. Part F: Investor rights

A. Key rights attached to the transferable securities.

- B. Restrictions to which the transferable securities are subject, including shareholder agreements or other arrangements preventing their transferability.
- C. Description of any restrictions on the transferring of the transferable securities.
- D. Opportunities for exiting the investment.
- E. For equity instruments, distribution of capital and voting rights before and after the capital increase resulting from the offer (assuming that all the transferable securities will be subscribed).

VII. Part H: Fees, information and legal redress

- A. Fees charged to, and the costs incurred by, the investor in relation to the investment, including administrative costs resulting from the resale of transferable securities.
- B. Where and how additional information about the crowdfunding project, the project owner and where applicable the SPV can be obtained free of charge.
- C. How and to whom the investor may address a complaint about the investment or about the conduct of the project owner or about the crowdfunding services provider.