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**NOTIFICATION FOR HOLDING, ACQUISITION OR FURTHER INCREASE OF QUALIFYING HOLDING IN A CIF BY A TRUST**

**Name of target CIF: «…..……………………………..»**

**Authorisation number of target CIF: «…..……………………………..»**

**Name of proposed acquirer: «…..……………………………..»**

**Purpose of this notification**

This notification should be completed individually by all trusts t proposes to acquire, directly or indirectly, a qualifying holding in a CIF or to further increase, directly or indirectly, such a qualifying holding in a CIF.

This notification has been prepared on the basis of the Commission Delegated Regulation (EU) 2017/1946 of 11 July 2017 supplementing Directives 2004/39/EC and 2014/65/EU of the European Parliament and of the Council with regard to regulatory technical standards for an exhaustive list of information to be included by proposed acquirers in the notification of a proposed acquisition of a qualifying holding in an investment firm (the “Delegated Regulation 2017/1946”).

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| For official use only  The fees have been paid to the Accounting Department of the Cyprus Securities and Exchange Commission, as these are defined in the “Directive on Payable Charges and Fees (DI87-03)”. The receipt is attached.  …….………………………………………. Signature |

GENERAL INSTRUCTIONS:

1. This notification should be completed individually by all trusts that propose to acquire, directly or indirectly, a qualifying holding[[1]](#footnote-1) in a CIF or to further increase, directly or indirectly, such a qualifying holding in a CIF, as a result of which the proportion of the voting rights or of the share capital held would reach or exceed the minimum limits of twenty per cent (20%), thirty per cent (30%) or fifty per cent (50%) or so that the CIF would become such person’s subsidiary (Article 12 of the Investments Services and Activities and Regulated Markets Law of 2017, L. 87(I)/2017, (the “Law”).
2. This notification must also be completed in the cases of:
3. Involuntary acquisition[[2]](#footnote-2)
4. Persons that do not intend to acquire on their own, directly or indirectly, a qualifying holding in the target CIF, but acting in concert with other persons, their cumulative holding will exceed 10% or they will collectively have significant influence over the management of the CIF.
5. This notification must be completed in electronic form. An electronic version of it can be downloaded from the website of the Cyprus Securities and Exchange Commission (the “Commission”) at the address [www.cysec.gov.cy](http://www.cysec.gov.cy).
6. The questions should remain unaltered and the answers must be provided below each question or in the designated section.
7. All questions applicable to the case of the proposed acquirer should be duly completed, or, if they are not applicable state “N/A”. Incomplete applications will be returned.
8. This questionnaire should be accompanied by all the documents stated in Part J. Part J is an integral part of this Form.
9. Where there are no competent authorities for the issue of certificates, attach equivalent documents from an independent and reliable source.
10. When completing the notification, information which is publicly available or has previously been disclosed to the Commission or to another supervisory authority, should not be considered as known by the Commission.
11. Where the proposed acquirer is required to “confirm”, a tick (✓) or an (x) placed in the relevant box will be taken as confirmation.
12. If insufficient space has been provided for a reply, please provide that information on a separate sheet/document and refer to it in the space provided for the answer. Please ensure that any separate sheets/documents are clearly marked with the name of the proposed acquirer and reference the appropriate question.
13. The Commission retains the right to request additional information during the assessment process.
14. In case that the following criteria are met, the proposed acquirer will submit only the information stated in point 13 below.
15. The proposed acquirer is an entity authorised and supervised within the Union,
16. the target CIF does not hold assets of its clients,
17. the target CIF is not authorised for the investment services and activities ‘Dealing on own account’ or ‘Underwriting of financial instruments and/or placing of financial instruments on a firm commitment basis’[[3]](#footnote-3),
18. the assets under management by the CIF are below EUR 500 million where the CIF is authorised for the investment service of ‘Portfolio management’[[4]](#footnote-4) .
19. If the criteria mentioned under point 12 above are met the proposed acquirer must complete Parts A, B, C, D, (Question 1), E, F (Questions 1 and 2).[[5]](#footnote-5)
20. If as a result of the proposed acquisition the composition of the Board of Directors will change, the  Notification of information on changes to the membership of the Management Body of a Cyprus Investment Firm (Form 87-00-03) and the Questionnaire(s) of the members of the Board of Directors (Form 87-00-11) should accompany this notification. It is clarified that a fee must be paid for each Director that will be appointed as per the Directive on Payable Charges and Fees (DI87-03).
21. **GENERAL INFORMATION OF THE PROPOSED ACQUIRER**

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| 1. **State below the name of the trust.** | | | | |
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| 1. **List below all the trustees who manage assets under the terms of the trust document.** | | | | |
| **No.** | **Name of trustee** | | | |
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| **For all trustees provide the following:**   * **For any natural persons the Personal Questionnaire of an applicant’s shareholder who is a natural person (Form 87-00-12).** * **For any legal persons the Personal Questionnaire of an applicant’s shareholder who is a legal person (Form 87-00-13).** | | | | |
|  | | | | |
| 1. **List below the beneficiaries of the trust assets.** | | | | |
| **No.** | **Name of beneficial owner** | **Date of birth** | **Respective shares in the distribution of income** | **For any beneficiary who is a minor, state the rationale for their role as beneficiary of the trust** |
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| **For all beneficiaries, except those who are minors, provide the following:**   * **For any natural persons the Personal Questionnaire of an applicant’s shareholder who is a natural person (Form 87-00-12).** * **For any legal persons the Personal Questionnaire of an applicant’s shareholder who is a legal person (Form 87-00-13).** | | | | |
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| 1. **List below all the settlors who manage assets under the terms of the trust document.** | | | | |
| **No.** | **Name of settlor** | | | |
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| **For all settlors provide the following:**   * **For any natural persons the Personal Questionnaire of an applicant’s shareholder who is a natural person (Form 87-00-12).** * **For any legal persons the Personal Questionnaire of an applicant’s shareholder who is a legal person (Form 87-00-13).** | | | | |
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| 1. **Please state below the reasons for a trust structure in the applicant’s shareholding.** | | | | |
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1. **PERSONS THAT WILL EFFECTIVELY DIRECT THE BUSINESS OF THE CIF**

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| 1. **List the persons who will effectively direct the business of the target CIF as a result of the proposed acquisition.** | | |
| **N/A** | **Full name** | **Position in the proposed acquirer** |
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| 1. **For each of the persons mentioned above, attach as Appendix the Personal Questionnaire of the Members of the Board of Directors (Form 87-00-11).** | | |

**C. INFORMATION RELATING TO THE PROPOSED ACQUISITION**

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| 1. **Provide details of the proposed acquirer’s intentions with respect to the proposed acquisition, including the strategic investment or portfolio investment. State whether any changes to the target CIF’s authorisation or the business plan are envisaged as a result of the proposed acquisitions.** | |
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|  | |
| 1. **Provide information on the shares of the CIF owned, or contemplated to be owned, by the proposed acquirer before and after the proposed acquisition:** | |
| 1. Number and type of shares and the nominal value of such shares. |  |
| 1. The percentage of the overall capital of the CIF that the shares owned, or intended to be acquired, by the proposed acquirer represent before and after the proposed acquisition. |  |
| 1. The share of the overall voting rights of the CIF that the shares owned, or contemplated to be owned, by the proposed acquirer represent before and after the proposed acquisition, if different from the share of capital of the target CIF. |  |
| 1. The market value, in euro of the shares of the CIF owned, or intended to be acquired, by the proposed acquirer before and after the proposed acquisition. |  |
| 1. Any other relevant information. |  |
|  | |
| 1. **A description of any action in concert with other parties, including the contribution of those other parties to the financing of the proposed acquisition, the means of participation in the financial arrangements in relation to the proposed acquisition and future organisational arrangements of the proposed acquisition.** | |
|  | |
|  | |
| 1. **The content of intended shareholder's agreements with other shareholders in relation to the target CIF.[[6]](#footnote-6)** | |
|  | |
| 1. **The proposed acquisition price and the criteria used when determining such price and, where there is a difference between the market value and the proposed acquisition price, an explanation as to why that is the case.** | |
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1. **INFORMATION ON THE NEW PROPOSED GROUP STRUCTURE AND ITS IMPACT ON SUPERVISION**

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| 1. **Provide the competent authority of the target CIF with an analysis of the impact of the proposed acquisition on the ability of the CIF to continue to provide timely and accurate information to its supervisor, including as a result of close links of the proposed acquirer with the target CIF.** |
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1. **INFORMATION RELATING TO THE FINANCING OF THE PROPOSED ACQUISITION**

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| 1. **Provide a detailed explanation of the specific sources of funding for the proposed acquisition, including:** | |
| (a) details on the use of private financial resources and the origin and availability of the funds, including any relevant documentary support to provide that no money laundering is attempted through the proposed acquisition.[[7]](#footnote-7) |  |
| (b) details on the means of payment of the proposed acquisition and the network used to transfer funds. |  |
| (c) details on access to capital sources and financial markets including details of financial instruments to be issued. |  |
| (d) information on the use of borrowed funds including the name of relevant lenders and details of the facilities granted, including maturities, terms, pledges and guarantees, as well as information on the source of revenue to be used to repay such borrowings and the origin of the borrowed funds where the lender is not a supervised financial institution.[[8]](#footnote-8) |  |
| (e) information on any financial arrangement with other shareholders of the CIF. [[9]](#footnote-9) |  |
| (f) information on assets of the proposed acquirer or the CIF which are to be sold in order to help finance the proposed acquisition, as well as the conditions of the sale, including price, appraisal, details regarding the characteristics of the assets and information on when and how the assets have been acquired. [[10]](#footnote-10) |  |
| (g) Any other relevant information. |  |

1. **ADDITIONAL INFORMATION FOR QUALIFYING HOLDINGS UP TO 20% AND QUALIFYING HOLDINGS BETWEEN 20% - 50%**

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| 1. **Where the proposed acquisition would result in the proposed acquirer holding a qualifying holding in the CIF of up to 20%, provide a document on strategy including:** | | | | |
|  | | | State the page number of the document on strategy | |
| 1. the period for which the proposed acquirer intends to hold its shareholding after the proposed acquisition and any intention of the proposed acquirer to increase, reduce or maintain the level of their shareholding in the foreseeable future. | | |  | |
| 1. an indication of the intentions of the proposed acquirer in relation to the CIF, including whether or not it intends to exercise any form of control over the CIF, and the rationale for that action. | | |  | |
| 1. information on the financial position of the proposed acquirer and its willingness to support the CIF with additional own funds if needed for the development of its activities or in case of financial difficulties. | | |  | |
|  | | | | |
| 1. **Where the proposed acquisition would result in the proposed acquirer holding a qualifying holding in the target CIF between 20% and 50% or where the influence exercised by the shareholding of that proposed acquirer, based on a comprehensive assessment of the shareholding's structure of the target CIF, would be equivalent to the influence exercised by shareholdings between 20% and 50%, the proposed acquirer provide a document on strategy including:** | | | | |
|  | | State the page number of the document on strategy | | |
| 1. The information provided in points (a)-(c) under Question 1 above. | |  | | |
| 1. details on the influence that the proposed acquirer intends to exercise on the financial position in relation to CIF including dividend policy, the strategic development, and the allocation of resources of the target CIF; | |  | | |
| 1. a description of the proposed acquirer's intentions and expectations in relation to the CIF in the medium term, including in general terms, the main goals of the proposed acquisition and the main ways for achieving them, including: covering all the elements below: | |  | | |
|  | the overall aim of the proposed acquisition. |  | | |
|  | medium-term financial goals which may be stated in terms of return on equity, cost-benefit ratio, earnings per share, or in other terms as appropriate. |  | | |
|  | the possible redirection of activities, products, targeted customers and the possible reallocation of funds or resources expected to impact on the target CIF. |  | | |
|  | general processes for including and integrating the CIF in the group structure of the proposed acquirer, including a description of the main interactions to be pursued with other companies in the group, as well as a description of the policies governing intra-group relations.[[11]](#footnote-11) |  | | |
|  | | | | |
| 1. **Where the proposed acquisition would result in the proposed acquirer holding a qualifying holding in the CIF of 50% or more, or in the CIF becoming its subsidiary, the proposed acquirer shall provide a business plan to the competent authority of the target CIF which shall comprise a strategic development plan, estimated financial statements of the target CIF, and the impact of the acquisition on the corporate governance and general organisational structure of the target CIF.** | | | | |
| **(a) The strategic development plan referred to above shall indicate, in general terms, the main goals of the proposed acquisition and the main ways for achieving them, including:** | | | | State the page number of the strategic development plan/business plan |
|  | the overall aim of the proposed acquisition. | | |  |
|  | medium-term financial goals which may be stated in terms of return on equity, cost-benefit ratio, earnings per share, or in other terms as appropriate. | | |  |
|  | the possible redirection of activities, products, targeted customers and the possible reallocation of funds or resources expected to impact on the target CIF. | | |  |
|  | general processes for including and integrating the CIF in the group structure of the proposed acquirer, including a description of the main interactions to be pursued with other companies in the group, as well as a description of the policies governing intra-group relations.[[12]](#footnote-12) | | |  |
| **(b) The estimated financial statements of the target CIF referred to above shall, on both an individual and a consolidated basis, include the following for a reference period of three years:** | | | | State the page number in the financial statements |
|  | a forecast balance sheet and income statement, | | |  |
|  | forecast prudential capital requirements and solvency ratio, | | |  |
|  | information on the level of risk exposures including credit, market and operational risks as well as other relevant risks, | | |  |
|  | a forecast of intra-group transactions. | | |  |
| **(c) The impact of the acquisition on the corporate governance and general organisational structure of the target CIF referred to above shall include the impact on:** | | | | State the page number of the business plan |
|  | the composition and duties of the administrative, management or supervisory body, and the main committees created by such decision-taking body including the management committee, risk committee, audit committee, remuneration committee, and including information concerning the persons who will be appointed to direct the business; | | |  |
|  | administrative and accounting procedures and internal controls, including changes in procedures and systems relating to accounting, internal audit, compliance with anti-money laundering and risk management, and the appointment of key functions of internal auditor, compliance officer and risk manager; | | |  |
|  | the overall IT systems and organisation including any changes concerning the IT outsourcing policy, the data flowchart, the in-house and external software used and the essential data and systems security procedures and tools such as back-up, continuity plans and audit trails, | | |  |
|  | the policies governing outsourcing, including information on the areas concerned, the selection of service providers, and the respective rights and obligations of the parties to the outsourcing contract such as audit arrangements and the quality of service expected from the provider, | | |  |
|  | any other relevant information pertaining to the impact of the acquisition on the corporate governance and general organisational structure of the target CIF, including any modification regarding the voting rights of the shareholders. | | |  |

1. **INFORMATION RELATING TO THE CALCULATION OF THE PROPOSED ACQUIRER’S HOLDING IN THE CIF, BEFORE AND AFTER THE PROPOSED ACQUISITION, IN REGARDS TO THE VOTING RIGHTS OR OF THE SHARE CAPITAL HELD BY SUCH ACQUIRER**

|  |  |  |  |
| --- | --- | --- | --- |
| 1. **Specify (by ticking the appropriate box) the threshold which will be reached or exceeded.** | | | |
| **Qualifying holding**[[13]](#footnote-13) | | |  |
| **20%** | | |  |
| **30%** | | |  |
| **50%** | | |  |
|  | | | |
| 1. **State the exact current percentage held by the proposed acquirer (if applicable).** | | | |
|  | **Share capital** | **Voting rights[[14]](#footnote-14)** | |
| **Direct** |  |  | |
| **Indirect**[[15]](#footnote-15) |  |  | |
| **Any action in concert with other parties**[[16]](#footnote-16) |  |  | |
| **Total** |  |  | |
|  | | | |
| 1. **State the exact percentage that will be held by the proposed acquirer as a result of the proposed acquisition.** | | | |
|  | **Share capital** | **Voting rights** | |
| **Direct** |  |  | |
| **Indirect** |  |  | |
| **Any action in concert with other parties** |  |  | |
| **Total** |  |  | |

1. **CONFIRMATION STATEMENT**

**I hereby responsibly declare and confirm, having full knowledge of the consequences of the Law, that:**

1. **I have exercised all due diligence in ensuring that all the information stated in this questionnaire, as well as the details and documents that accompany it are correct, complete and accurate.**
2. **I hereby confirm that I shall comply will the relevant requirements and obligations arising from the Law and any secondary legislation pursuant to it.**
3. **I will notify the Commission, in writing, immediately where, in the period between the submission of this questionnaire and the Commission’s decision, a change takes place in the information or and details and documents submitted with the questionnaire.**

**I acknowledge and accept that the Commission may reveal information in the discharge of its duties, as these are defined in the Law.**

**By this statement and in full comprehension of its contents, I give my express consent for the processing of my personal data, sensitive and not, in accordance with the Processing of Personal Data (Protection of Individuals) Law of 2001, as amended from time to time by national and/or European legislation.**

**We understand that in accordance with sections 71, 93 and 94 of the Law the provision of false, or misleading information or data or documents or forms, or the withholding of material information from the current notification, is subject to an administrative fine and may constitute a criminal offence.**

**Signature ......................................................**

**Full name ......................................................**

**Capacity ……………………………………………………**

**Date ......................................................**

1. **STATEMENT OF THE ACCOMPANYING DETAILS/DOCUMENTS**

|  |  |  |  |
| --- | --- | --- | --- |
| **Details/Documents** | **Number of Appendix** | **Submitted (X)/Not applicable (N/A)** | **For official use only** |
| Trust deed/Instrument of trust | **1** |  |  |
| Personal Questionnaire(s) for the trustees of the trust (Form 87-00-12 and/or Form 87-00-13) | **2** |  |  |
| Personal Questionnaire(s) for the beneficiaries of the trust. (Form 87-00-12 and/or Form 87-00-13) | **3** |  |  |
| Personal Questionnaire for the settlors of the trust (Form 87-00-12 and/or Form 87-00-13) | **4** |  |  |
| Certified copy of a passport or birth certificate of any beneficiaries who are minors. | **5** |  |  |
| Personal Questionnaire(s) of all the Members of the Board of Directors who will effectively direct the business of the target CIF as a result of the proposed acquisition (Form 87-00-11), as per **point B2**. | **6** |  |  |
| Draft shareholder's agreements with other shareholders in relation to the target CIF, as per **point C4**. | **7** |  |  |
| Any relevant documentary support to provide that no money laundering is attempted through the proposed acquisition as per **point E1(a)**.[[17]](#footnote-17) | **8** |  |  |
| Document on strategy as per **points F1 or F2**. | **9** |  |  |
| Business plan as per **point F3** (including or accompanied by a strategic development plan, estimated financial statements, the impact of the acquisition on the corporate governance and general organisational structure of the target CIF). | **10** |  |  |
| Current organisational structure of the Company. | **11** |  |  |
| Proposed organisational structure of the Company. | **12** |  |  |
| In case that changes to the Board of Directors occur due to the proposed acquisition, the  Notification of information on changes to the membership of the Management Body of a Cyprus Investment Firm (Form 87-00-03) and the Questionnaire(s) of the members of the Board of Directors (Form 87-00-11) | **13** |  |  |

1. Refer to Article 2 of the Law. [↑](#footnote-ref-1)
2. A person may exceed the limits of section 12 (1) of the Law “involuntary”, as a result of a repurchase, from the CIF, of shares held by other shareholders, or in the case of capital increase in which the existing shareholders do not participate, or in the case of acquisition through inheritance. In such cases, the said person must notify immediately the relevant authorities, as soon as he/she realises such an excess in the limits of section 12 (1) of the Law. [↑](#footnote-ref-2)
3. Referred to in points (3) and (6) of the Part I of the First Appendix of the Law. [↑](#footnote-ref-3)
4. Referred to in point (4)of the Part I of the First Appendix of the Law. [↑](#footnote-ref-4)
5. Refer to Article 15 of the Delegated Regulation 2017/1946. [↑](#footnote-ref-5)
6. The draft shareholder’s agreement should be attached. See Part I “Statement of the accompanying details/documents”. [↑](#footnote-ref-6)
7. This documentary support indicatively includes tax returns, bank references, audited financial statements etc., depending on the source of the funds. [↑](#footnote-ref-7)
8. Please note that the Commission may request additional supporting documents, such as agreements. [↑](#footnote-ref-8)
9. Please note that the Commission may request additional supporting documents, such as agreements. [↑](#footnote-ref-9)
10. Please note that the Commission may request additional supporting documents, such as agreements. [↑](#footnote-ref-10)
11. Where the proposed acquirer is an entity authorised and supervised in the Union, information about the particular departments within the group structure which are affected by the proposed acquisition shall be sufficient. [↑](#footnote-ref-11)
12. Where the proposed acquirer is an entity authorised and supervised in the Union, information about the particular departments within the group structure which are affected by the proposed acquisition shall be sufficient. [↑](#footnote-ref-12)
13. Refer to Article 2 of the Law. [↑](#footnote-ref-13)
14. Please state the percentage of voting rights in case that this is different from the percentage of share capital. [↑](#footnote-ref-14)
15. For guidance in relation to “**Indirect holding**” please see the Joint Guidelines on the prudential assessment of acquisitions and increases of qualifying holdings in the financial sector. [↑](#footnote-ref-15)
16. For guidance in relation to “**Acting in concert**” please see the Joint Guidelines on the prudential assessment of acquisitions and increases of qualifying holdings in the financial sector. [↑](#footnote-ref-16)
17. This documentary support indicatively includes tax returns, bank references, audited financial statements etc., depending on the source of the funds. [↑](#footnote-ref-17)