



Banc Ceannais na hÉireann
Central Bank of Ireland

Eurosystem

Guidance Note on Completing an Application Form for Authorisation as a Crowdfunding Service Provider

Under Regulation (EU) 2020/1503

January 2022

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Terms used in this Guidance Note

Outlined below are descriptions of the terms used in this document and those used in the Central Bank's Application Form for Authorisation as a Crowdfunding Service Provider.

Applicant	The legal person making an application to the Central Bank for authorisation as a Crowdfunding Service Provider
Application	Application refers to: (i) An electronic copy of the completed Application Form for Authorisation as a Crowdfunding Service Provider (including all the specific information and supporting documentation requested therein); and (ii) A completed Individual Questionnaire ("IQ") (including all the specific information and documentation requested therein) in respect of all relevant individuals proposed to hold a Pre-Approval Controlled Function ("PCF") role in the Applicant
Application Form	A fully completed and signed Application Form for Authorisation as a Crowdfunding Service Provider, including the specific information and documentation requested therein
Attestation	An Attestation on the headed paper of the Applicant and signed by two members of the Board of Directors of the Applicant containing the confirmations required as set out in Section 3.3 below and in Appendix 1 of the Application Form
Authorisation	Authorisation as a Crowdfunding Service Provider in accordance with Regulation (EU) 2020/1503
Central Bank	Central Bank of Ireland
Crowdfunding Service Provider	Crowdfunding Service Provider means a legal person who provides crowdfunding services
Crowdfunding services	Crowdfunding services means the matching of business funding interests of investors and project owners through the use of a crowdfunding platform and which consists of any of the following activities: (i) the facilitation of granting of loans; (ii) the placing without a firm commitment basis, as referred to in point (7) of Section A of Annex I to Directive 2014/65/EU, of transferable securities and admitted instruments for crowdfunding purposes issued by project owners or a special purpose vehicle, and the reception and transmission of client orders, as referred to in point (1) of that Section, in relation to those transferable securities and admitted instruments for crowdfunding purposes
Guidance Note	Guidance Note on completing an Application Form for Authorisation as a Crowdfunding Service Provider
Pre-Approved Control Function	Pre-Approved Control Function within the meaning of Schedule 2 of the Central Bank Reform Act 2010

Qualifying Shareholder	Qualifying Shareholder means a legal or natural person with a direct or indirect holding of shares or other interests in the Applicant which represents 20 per cent or more of the capital or of the voting rights
Regulation (EU) 2020/1503	Regulation (EU) 2020/1503 of the European Parliament and of the Council of 7 October 2020 on European crowdfunding service providers for business, and amending Regulation (EU) 2017/1129 and Directive (EU) 2019/1937
Regulations	European Union (Crowdfunding) Regulations 2021 (S.I. No. 702 of 2021)

1. Introduction

The Central Bank of Ireland (“the Central Bank”) is the competent authority in Ireland responsible for the authorisation and supervision of Crowdfunding Service Providers pursuant to the European Union (Crowdfunding) Regulations 2021 (S.I. No. 702 of 2021) (“the Regulations”).

This document provides guidance in relation to the authorisation process and requirements of the Central Bank for establishing a Crowdfunding Service Provider firm in Ireland. **It does not constitute legal advice nor does it seek to interpret relevant legislation.**

Each Applicant must first consider whether its proposed business model:

- requires authorisation pursuant to Regulation (EU) 2020/1503;
- can comply with the requirements pursuant to Regulation (EU) 2020/1503; and
- can comply with the Central Bank’s requirements and all other relevant financial services law, both at authorisation and on an on-going basis.

Applicants are advised to seek legal advice if they are unsure as to whether their proposed activities require authorisation pursuant to Regulation (EU) 2020/1503.

Having satisfactorily assessed each consideration above, the Applicant should review this document, and satisfy itself that it is familiar with the authorisation process and the requirements of the Central Bank. Only then should the Applicant contact the Central Bank with a view to arranging a preliminary meeting. It is normal practice for the Central Bank to meet with the Applicant and discuss its proposed business model prior to commencing the authorisation process.

The Central Bank adopts a robust, structured and risk-based approach in order to fulfil its gatekeeper function. In this regard, the Central Bank welcomes applications where the proposed Crowdfunding Service Provider can meet the legislative requirements relating to authorisation as a Crowdfunding Service Provider and all other applicable legislative and regulatory requirements published by the Central Bank (on its website) and by the European Securities and Markets Authority (“ESMA”).

The legislative and regulatory requirements referred to in this guidance note are not exhaustive and the Applicant should ensure that it is familiar with, and in a position to comply with all the relevant legislative and regulatory requirements applicable to its proposed regulated activities, should it be granted an authorisation by the Central Bank.

The Central Bank seeks to process each application as expeditiously as possible while meeting its obligation to operate a rigorous and effective gatekeeper function. It aims to ensure that the application process is facilitative and accessible from the perspective of Applicants and, importantly, that Applicants have clarity with regard to the process, its requirements and timelines.

Freedom of Services

A key element of Regulation (EU) 2020/1503 is that it enables Crowdfunding Service Providers to carry on business covered by their authorisation throughout the EU/EEA, without seeking further authorisation in another Member State. Once authorised, Crowdfunding Service Providers may provide services on a cross border basis in accordance with Regulation (EU) 2020/1503.

Applicants must read this Guidance Note in full prior to filling out the Application Form for Authorisation as a Crowdfunding Service Provider pertaining to it.

Applicants are expected to know and understand the Crowdfunding Service Provider legislation and all other relevant financial services law and are advised to seek professional advice for questions relating to this legislation, its applicability to an application or completing any part of the process in applying for authorisation from the Central Bank.

Application documentation is available on the Central Bank's website www.centralbank.ie.

Applicants should direct any queries in respect of the application process, or seeking to arrange a preliminary meeting with the Central Bank, to the following email address: crowdfundingauthorisations@centralbank.ie.

2. Crowdfunding Service Provider Legislation¹

Regulation (EU) 2020/1503 was published in the Official Journal of the European Union on 20 October 2020. It establishes an EU regulatory regime for Crowdfunding Service Providers and applies from 10 November 2021. The aim of Regulation (EU) 2020/1503 is to ensure that Crowdfunding Service Providers are subject to consistent rules across the EU/EEA in order to foster cross-border crowdfunding services.

Chapter III of Regulation 2020/1503 contains detailed obligations with respect to the authorisation and supervision of Crowdfunding Service Providers.

In accordance with Regulation (EU) 2020/1503, the European Securities & Markets Authority (“ESMA”) has developed a number of regulatory and technical standards. In this regard, ESMA developed technical standards covering a number of areas, including requirements on applications for authorisation, a template application form and co-operation between national competent authorities. The European Banking Authority (“EBA”) also prepared draft technical standards in relation to information to be disclosed on individual portfolio management of loans and is consulting on the draft technical standards on disclosure of credit scoring and loan pricing methods, requirements on credit risk assessment and risk management framework for Crowdfunding Service Providers.

While Regulation (EU) 2020/1503 did not need to be transposed into domestic legislation, the European Union (Crowdfunding) Regulations 2021 (S.I. No. 702 of 2021) (“the Regulations”) were enacted to designate the Central Bank as the competent authority in Ireland responsible for the authorisation and supervision of Crowdfunding Service Providers.

The new regulatory framework applies to two types of crowdfunding, peer-to-peer business lending and investment-based crowdfunding. Peer-to-peer consumer lending and donation/reward-based crowdfunding are out of scope. A Crowdfunding Service Provider that facilitates either peer-to-peer business lending or investment-based crowdfunding via its platform will need to be authorised by the national competent authority in the EU Member State in which it is established. Once authorised the Crowdfunding Service Provider may provide crowdfunding services on a cross border basis in line with the normal home – host notification process.

An Applicant seeking authorisation as a Crowdfunding Service Provider is responsible for ensuring that it acts within the terms of all relevant legislation.

¹ Please refer to the [Legal webpage](#) on the Central Bank’s website for more information on legislation application to Crowdfunding Service Providers.

3. Application Process

Outlined below is a summary of the Central Bank's application for authorisation process.

1. Preliminary Meeting

A preliminary meeting will be held with all Applicants in advance of an application being made.

The Applicant should request a meeting with the Central Bank to discuss its proposed application. A meeting request should be sent via e-mail to crowdfundingauthorisations@centralbank.ie by the Applicant and set out, at a high level, the proposed authorisation being sought. The Central Bank will revert to the Applicant to schedule the preliminary meeting.

The Applicant is required submit a short presentation and a list of attendees 5 business days in advance of the preliminary meeting with the Central Bank. The presentation should be reasonably high level and include, where relevant, the following:

- High level background information on the Applicant (and Group where applicable) e.g. business line and history;
- Rationale for selecting Ireland as their European place of business;
- Proposed business lines (new) and current track record (if existing firm);
- Description of the services / activities (including other services / activities as outlined in Section 4.1.1(c) of the Application Form) to be provided by the Applicant at authorisation date and those services / activities the Applicant will look to provide in the future (if known);
- Staffing and governance proposals;
- Details of any proposed outsourcing arrangements;
- Revenue and Regulatory Capital projections; and
- Any other information that the Applicant considers pertinent.

At the preliminary meeting the Applicant will be informed of the Central Bank's authorisation process and timeframes.

2. Submission and Completeness Check of Application Form and Individual Questionnaires

Should the Applicant wish to proceed to make an application for authorisation after the preliminary meeting with the Central Bank, the Applicant will need to submit a fully completed Application Form for Authorisation as a Crowdfunding Service Provider (including all the specific information and documentation requested therein).

Following this submission, the individual nominated by the Applicant (in Section 2.8(b) of the application form) to be responsible for Online Reporting System ("ONR") access, will receive login details in order to submit Individual Questionnaires ("IQ") in respect of each person proposed to hold a Pre-Approval Controlled Function ("PCF") role in the Applicant. A fully completed IQ (including all the specific information and documentation requested therein) must be submitted in respect of each proposed PCF role holder via the ONR.

- a. Application: An Application is deemed complete when the Applicant has provided all of the information required under Article 12(2) of Regulation (EU) 2020/1503 (which includes the information required in the Application Form and IQ). Where the application is not complete, the Central Bank will set a deadline by which the Applicant is to provide the missing information. Should an application remain incomplete after this deadline, the Central Bank may refuse to review the Application and, in the event of such refusal, shall return the submitted documents to the Applicant.
- b. IQs: The Applicant will need to ensure that all relevant individuals proposed to hold a PCF role in the Applicant have completed the Fitness and Probity IQ – more information is available [here](#). IQs should be submitted electronically via the Central Bank's ONR by all proposed PCF role holders. The Applicant shall ensure that all the specific information and documentation requested in the IQ is submitted by all proposed PCF role holders in order that fully completed IQs are deemed to have been received.

An Application will only move to the assessment phase of the authorisation process when the Application is deemed to be complete.

3. Assessment of the Application

In order to be in a position to meet the assessment timeframes for authorisation as set out in Regulation (EU) 2020/1503, the Central Bank cannot engage in an exhaustive verification exercise of the information provided by the Applicant in its Application. The onus is on the Applicant to ensure all information in the Application Form and IQs and all supporting information submitted meets the relevant requirements.

The Board of Directors of the Applicant must provide an Attestation on the headed paper of the Applicant and signed by two members of the Board of Directors of the Applicant, confirming on behalf of the Applicant, that:

- The Application and supporting information is submitted in accordance with Article 12 of Regulation 2020/1503 and complies in full with Regulation 2020/1503;
- The Applicant has the necessary prudential safeguards (own funds or insurance policy) in place as at date of application and evidence of same has been provided in the Application;
- Where the Applicant proposes to utilise the services of a third party (deposit taker or custodian (in the context of investment instruments)), all third party providers are authorised in accordance with Directive 2013/36/EC (Credit Institutions) or Directive 2014/65/EC (MIFID Firms) (ref: Article 10 of the Regulation 2020/1503);
- The third party providing safeguarding services on behalf of the Applicant confirms it holds assets in safekeeping in line with the regulatory regime applicable in their respective jurisdiction. Moreover, the Applicant must confirm it will promptly report any irregularities or concerns it may have concerning its delegated activities to the Central Bank; and
- The Key Investor Information Sheet will comply with the requirements of Article 23 of Regulation 2020/1503.

4. Decision on Authorisation

A determination will be made on the Application within 3 months of receipt of a complete Application, as referred to above. Successful Applicants are issued with a letter of authorisation from the Central Bank setting out their authorisation requirements and any conditions of authorisation applicable to the Firm.

Additional Information

Further details about the different stages and timelines of the application process can be found on the [Central Bank's website](#) and in the relevant sections of ['Completing and Submitting an Individual Questionnaire'](#).

Any queries in relation to the application form should be sent to crowdfundingauthorisations@centralbank.ie. For queries in relation to the ONR and issues with submitting of IQs, please contact onlinereturns@centralbank.ie.

4. Guidance on Completing the Application Form

This section provides guidance to Applicants to assist them when answering some of the questions set out in the application form. The numbering sequence set out in the table below follows that of the questions set out in the application form.

Applicants should ensure that **ALL** relevant questions set out in the application form are answered succinctly and fully. The Application should include information relating to the Applicant's proposed activities for the first 12 months of the provision of regulated activities.

Please take the time to read these notes carefully. They will help you to complete the Application Form correctly.

It is important when completing the Application Form that you provide accurate and complete information including disclosure of all relevant information.

Question	Guidance
Part 2 of Application Form – Applicant Information	
2.1	The legal name should be the Applicant's full legal name at the time of making an application submission. This should be the legal name on the Applicant's constitutional document(s) and the name registered with the CRO.
2.2	The legal form of the Applicant should describe the corporate status of the Applicant which can include the following – Private Company Limited by Shares, Designated Activity Company, Private Company Limited by Guarantee, Unlimited Company, Public Limited Company.
2.5	This name should be the registered trading name(s) that the Applicant will use in relation to its regulated and unregulated services. The relevant Companies Registration Office Business Name Registration Number should also be provided for each trading name.
2.8	<p>Where the Applicant proposes a third party to accept service of correspondence, a senior member of the Applicant (i.e. director or senior manager) should be provided to receive such correspondence. The Central Bank will not liaise solely with a third party in relation to an application submission. All correspondence in respect of an application submission will be sent by the Central Bank directly to the senior member of the Applicant, and where appropriate, to any third party identified by the Applicant to accept service of any such correspondence.</p> <p>Applicants should be aware that they remain responsible for any information provided, or the failure to provide requested information, in respect of an application submission, where they engage third parties to complete such tasks.</p> <p>A senior member of the Applicant (i.e. director or senior manager) should be provided to receive log-in details for the purposes of submitting IQs in respect of proposed PCF role holders in the Applicant via the ONR.</p>
2.9, 2.10	Where the Applicant has an existing System Administrator with ONR login details, that individual's details should be provided in response to question 2.8. Where the Applicant has an existing System Administrator and wishes to change their System Administrator they should contact onlinereturns@centralbank.ie to request such as change.

Part 3 of Application Form – Business Plan	
Forecast Calculations and Plans	
3.1 – 3.8	The Applicant’s Business Plan for the first three years after its expected authorisation date should be organised into the eight sections required. For the purposes of the forecasted data, authorisation date should be estimated as six months after the submission of an application. The Applicant should ensure that all sections are fully completed.
3.1 (a)	The Applicant should clearly identify what types of prudential safeguards it proposes to hold and how the required amounts have been calculated.
3.1 (b)	Forecasted balance sheets, profit & loss documents or income statements should be presented in line with the relevant accounting standards the Applicant proposes to use. The relevant accounting standards should also be identified.
3.1 (c)	<p>The forecasts should include planning assumptions including explanations of the figures and the expected number and type of projects, customers and expected volume of transactions. Notes should explain the basis for figures, and for any line items that contain sub-items, the sub items should be identified.</p> <p>Forecast information should be submitted at an individual and, where applicable, at consolidated Group and sub-consolidated levels. A Group of companies is considered to be a company and its one or more subsidiaries.</p>
Accounting Procedures	
3.2	The description of the accounting procedures should describe the function within the Applicant with responsibility for maintaining the Applicant’s financial statements. The required description should outline how the financial information relevant to the financial statements is recorded, the systems used and the oversight completed in preparing financial statements.
Prudential Safeguards	
3.3	Identify the type of prudential safeguards in place, the amount of the relevant prudential safeguards, how the amounts in place have been calculated, how the relevant prudential safeguards comply with the requirements of Article 11 of Regulation (EU) 2020/1503. Any assumptions used in calculations should be specified.
Own Funds (where applicable)	
3.4	Where own funds are proposed to be held as some or all of the Applicant’s prudential safeguards the Applicant should describe the amount of each type of own funds proposed.
Insurance Policy (where applicable)	
3.5	Where an insurance policy or guarantee are proposed to be held as some or all of the Applicant’s prudential safeguards, the Applicant should describe the amount of cover provided.
Own Funds	
3.7 (a)	The Applicant should describe the amount of each type of own funds proposed and how these items meet the requirements of Article 11(2)(a) of Regulation (EU) 2020/1503.
3.7 (b)	The Applicant may provide the Applicant’s latest Audited Financial Statements or a public register to support the own funds identified.

Insurance Policy	
3.8 (a), (b)	The Applicant should provide a copy of the relevant insurance policy or preliminary insurance agreement and identify the amount of each type of own funds proposed and how these meet the requirements of Article 11 (6) and 11 (7) of Regulation (EU) 2020/1503.

Part 4 of Application Form – Programme of Operations	
Information on the Types of Crowdfunding Services	
4.1.1 (a)	The Applicant should provide a comprehensive description of the crowdfunding services it proposes to provide, selecting the specific activities from (i) and (ii) and describing how these activities are provided.
4.1.1 (c)	The Applicant should describe each activity from (i) – (vii) that it intends to provide and how these will be provided.
4.1.1 (e)	<p>The Applicant should describe how projects are selected to be offered on the crowdfunding platform. It should also be clear from the selection approach as to what characteristics and specific criteria would determine that a project would not be offered.</p> <p>The Applicant should clearly describe the scope, timeliness and nature of due diligence activities completed on projects. The information gathered, and sources of information gathered to complete due diligence should also be clearly described.</p>
4.1.1 (g)	The Applicant should confirm whether it will engage in activities that do not fall within the scope of Regulation (EU) 2020/1503 and it should clearly describe those activities and their impact on the provision of regulated activities.
Information on the Crowdfunding Platform	
4.2.1 (a)	The Applicant should clearly describe how it complies with Article 19 of Regulation (EU) 2020/1503. The Applicant should describe the location(s) on its website where the relevant information is contained and describe the content that will be provided.
4.2.1 (c)	The Applicant should describe the process through which services are provided to customers, how customers can access services and how transactions are received and transmitted including the systems and controls in place relating to this process.
Governance Arrangements	
4.4.1	<p>An Applicant shall ensure that its Board of Directors is of sufficient size and expertise to adequately oversee its operations. While it is the responsibility of the Applicant to determine the number of board members, taking into account the nature, scale and complexity of its business, each Applicant should have multiple directors and also achieve a balance between executive and non-executive director appointments.</p> <p>The Central Bank also expects an Applicant to consider good corporate governance practices and the appointment of an independent non-executive director who can exercise sound judgement and decision making independent of the views of management, political interests or inappropriate outside interests.</p> <p>The Board of Directors of an Applicant has ultimate responsibility for all aspects of the management and operations of the Crowdfunding Service Provider. In accordance with Article 9 of Regulation (EU) 2020/1503, Applicants may rely on a third party for the performance of operational functions. While operational functions may be outsourced, ultimate responsibility for these functions cannot. Consequently, the Board of Directors should take all major strategic and operational decisions affecting the Applicant.</p>

	<p>Authorised firms are required to maintain a number of documented policies and procedures. In this context, where the Applicant relies on outsourcing entities, it must maintain its own written policies and procedures in each instance where this is required by Regulation (EU) 2020/1503 – the Applicant cannot rely on the outsourced entity’s written policies and procedures to satisfy the obligation to have its own written policies and procedures.</p> <p>Applicants must have sufficient resources to enable them to carry out their functions properly taking into account the nature, scale and complexity of their business. It is the responsibility of the Board of Directors to determine, in the light of the particular circumstances of the Applicant, the appropriate resourcing of these functions. The Board of Directors must also ensure that sufficient internal systems, controls and procedures are put in place to ensure that the Applicant complies with its legal and regulatory obligations on the date of authorisation and on an on-going basis.</p> <p>The Board of Directors must also satisfy itself that responsibility for undertaking delegated tasks within the Applicant are allocated accordingly and that appropriate oversight and reporting mechanisms are in place.</p> <p>In this context, the Central Bank expects an Applicant to have significant senior management presence (across its key business functions) in the State to ensure that full authority and effective control of the Applicant rests within the principal place of business of the Applicant and that the Applicant is capable of being effectively supervised by the Central Bank.</p> <p>Furthermore, the Central Bank requires that the governance and staff resource arrangements in place in the Applicant are kept under review by the Board of Directors on an on-going basis such that the Applicant is satisfied that they continue to reflect the nature, scale and complexity of the business (i.e. as the business grows it is expected that the Applicant will review and enhance the governance and staff resourcing arrangements accordingly).</p> <p>The Board of Directors of the Applicant may establish committees to support them in the operations of the Applicant. In deciding whether or not to establish a board committee, an Applicant shall ensure that the Board of Directors would, in the absence of establishing that committee, continue to have appropriate time available to it, to adequately discharge its responsibilities. The Board of Directors is responsible for the oversight of each of its committees.</p> <p>Where an Applicant is part of a wider group, the Board of Directors may rely on group committees. Such reliance is subject to the Board of Directors ensuring that it is satisfied that the reliance on those committees is appropriate, given the specific needs of the Applicant. The Board of Directors shall document the assessment it conducted as to the appropriateness of its reliance on these committees.</p>
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Internal Control Mechanisms

<p>4.5.1</p>	<p>The Central Bank expects all Applicants to have adequate and sufficient resources (reflecting the nature, scale and complexity of their activities) with appropriate compliance, internal audit and risk management expertise in place to review and assess the Applicant’s compliance risks and to monitor the adequacy and effectiveness of its compliance monitoring processes and its on-going compliance with its legal and regulatory obligations.</p> <p>The Applicant should ensure that it has clearly documented processes and procedures in place to guide how it assesses risk and ensures compliance with the Applicant’s obligations. The Applicant should ensure that it maintains appropriate records in respect of its monitoring activities including the findings/outcomes of those activities and the steps taken to address those findings/outcomes. Any breaches of legal or regulatory requirements identified should be notified to the Central Bank without delay.</p> <p>The Applicant should ensure that it has assessed the adequacy of its internal control resources and determined the appropriate governance arrangements and internal systems, controls and</p>
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	procedures to put in place to ensure that it complies with its legal and regulatory obligations on the date of authorisation and on an on-going basis.
Risk Management	
4.6.1	The Applicant should refer to and describe all operational, financial and compliance risks that are relevant to the Applicant.
4.6.2 (a)	<p>The Applicant should also specifically describe the processes, methodologies and data used in assessing the expected performance of loans in relation to:</p> <ul style="list-style-type: none"> (a) the credit risk of individual crowdfunding projects selected for the investor's portfolio; (b) the credit risk at the investor's portfolio level; and (c) the credit risk of the project owners selected for the investor's portfolio by verifying the prospect of the project owners meeting their obligations under the loan. <p>The Applicant should also describe how method(s) used for each of these assessments are communicated to the investor.</p>
4.6.2 (b)	<p>The Applicant should provide a clear description of how any contingency fund would operate in practice, including the following:</p> <ul style="list-style-type: none"> (i) an explanation of the source of the money paid into the fund; (ii) an explanation of how the fund is governed; (iii) an explanation concerning whom the money belongs to; (iv) the considerations the contingency fund operator takes into account when deciding whether or how to exercise its discretion to pay out from the fund, including: <ul style="list-style-type: none"> a. whether or not the fund has sufficient money to pay; and b. that the contingency fund operator has absolute discretion in any event not to pay or to decide the amount of the payment; (v) an explanation of the process for considering whether to make a discretionary payment from the fund; and (vi) a description of how the money paid into the fund will be treated in the event of insolvency of the contingency fund operator.
Risk Related to the Determination of the Offer	
4.9.1	Where a Crowdfunding Service Provider determines the price of a crowdfunding offer it should provide a description of how such prices are fair and appropriate.
Risks Related to the Asset Safekeeping Services and Payment Services (where applicable)	
Risks Related to Outsourcing of Operational Functions	
Any Other Operational Risk(s) (where applicable)	
4.12.1	In relation to the relevant risks, the description provided should clearly identify the source of operational risks and an overview providing sufficient detail to understand how the procedures, systems and controls adopted by the Applicant will manage those risks appropriately.
Business Continuity Plan	
4.13.1	The Applicant should describe how it would recover from a range of relevant failures that would impact the provision of critical services in line with the requirements of the COMMISSION DELEGATED REGULATION (EU) (number to be confirmed once adopted by the EU Commission) supplementing Regulation 2020/1503 of the European Parliament and of the Council with regard to

	<p>regulatory technical standards specifying the measures and procedures for a business continuity plan.</p> <p>The measures described should cover the scope of the risks associated with a failure, an impairment of critical services or a significant business interruption or incident. The description of the measures and procedures should also include how the Applicant will maintain the continuity of the provision of critical services related to existing investments, and the sound administration of agreements between the Crowdfunding Service Provider and its clients, including, where applicable, provisions for the continued servicing of outstanding loans, client notification and handover of asset safekeeping arrangements.</p>
Outsourcing	
4.15.1 (a)	The Applicant should describe each outsourced activity and its impact on the crowdfunding services provided.
4.15.1 (b)	The description of the arrangements should identify the outsourced service provider, including a description of the agreement in place with the outsourced service provider, the resources dedicated by the outsourced service provider to the service provided, the location where the service is provided from, and the key obligations and key performance indicators included in the agreement with the outsourced service provider.
4.15.1 (c)	The Applicant should identify those with responsibility for overseeing the outsourced service, the frequency of oversight, the specific oversight activities completed, and the frequency of reporting to the Board of Directors regarding the oversight completed.
Complaints Handling	
4.16.1	The Applicant should describe how its complaints handling procedures comply with the requirements of COMMISSION DELEGATED REGULATION (EU) (number to be confirmed once adopted by the EU Commission) supplementing Regulation (EU) 2020/1503 of the European Parliament and of the Council with regard to regulatory technical standards specifying the requirements, standard formats and procedures for complaint handling.
Information on Payment Services	
4.17.3-4.17.6	The Applicant should describe how payment services are completed identifying how funds flow from payer to payee, the timings of fund flows, and the locations and ownership of accounts where funds are held. The Applicant should also describe how customers and project owners are made aware of the payment service arrangements in place.
Key Investor Information Sheet Procedures	
4.18.1	The Applicant should describe the how it verifies the completeness, correctness and clarity of the information contained in the key investment information sheet.
Non Sophisticated Investor Limits	
4.19.1(a)	The Applicant should ensure it describes how it assesses whether and which crowdfunding services offered are appropriate for the prospective non-sophisticated investors, and the information about the prospective non-sophisticated investor's experience, investment objectives, financial situation and basic understanding of risks involved in investing in general and in investing in the types of investments offered on the crowdfunding platform that it uses as part of this assessment.
4.19.1(b)	<p>The Applicant should ensure that its description includes the following investor information as part of its simulation:</p> <p>(a) regular income and total income, and whether the income is earned on a permanent or temporary basis;</p>

	(b) assets, including financial investments and any cash deposits, but excluding personal and investment property and pension funds; (c) financial commitments, including regular, existing or future commitments.
Online Annual Return and Industry Funding Levy	
4.20.1, 4.20.2	The scope of these questions relate to the period of time during which the Applicant was previously authorised by the Central Bank or the period where the relevant person was a director, partner, sole trader or PCF role holder in an entity authorised by the Central Bank. Where any contributions in relation to the Industry Funding Levy remain outstanding these should be discharged in full prior to making an application submission.

Part 5 of Application Form – Qualifying Shareholders	
Ownership Structure	
5.1.1	The ownership chart should depict all shareholders who directly or indirectly hold 20% or more of the share capital or voting right. The chart provided should depict the relationship between qualifying shareholders in the chain of ownership.

Part 6 of Application Form – Declaration	
Declaration	
<p>The Declaration is an important part of the application form. The Applicant must ensure that it has fully reviewed the application form and understands the statements that it is agreeing to with regard to the information provided therein prior to signing the Declaration. The Applicant must carefully read the Declaration before completing and signing the Declaration.</p> <p>The Declaration must be signed by two directors of the Applicant.</p>	

5. Post Authorisation

The Central Bank authorises Crowdfunding Service Providers on the basis of the information provided as part of the application process. In this regard, all Crowdfunding Service Providers are required to operate in accordance with the information provided in support of their application for authorisation and in accordance with applicable legislation and requirements.

The Central Bank expects Applicants to display a proven track record in accordance with the original Application (including the Programme of Operations) before a newly authorised Crowdfunding Service Provider can amend/expand its crowdfunding services. The original Application must therefore cover activities that are proposed to be undertaken in the first twelve months post authorisation.

Crowdfunding Service Providers must monitor and, on a regular basis, evaluate the adequacy and effectiveness of the policies and procedures, systems, internal control mechanisms and arrangements in place (ensuring that they are kept up to date) to ensure compliance with all relevant legal and regulatory requirements and promptly take appropriate measures to address any deficiencies identified. Policies and procedure documentation must be made available to the Central Bank, for review, upon request.

Once authorised the Crowdfunding Service Provider will be subject to supervision under the Central Bank's PRISMTM framework. PRISMTM is a risk based framework for the supervision of all entities regulated by the Central Bank. Detailed guidance can be found on the Central Bank's website.



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