

Finansinspektionen's Regulatory Code

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This translation is furnished solely for information purposes. Only the printed version of the regulation in Swedish applies for the application of the law.

Regulations

amending Finansinspektionen's regulations (FFFS 2007:17) governing operations on trading venues;

FFFS 2021:13

Published on
30 June 2021

decided on 22 June 2021.

Finansinspektionen prescribes pursuant to Chapter 6, section 1, point 4 of the Securities Market Ordinance (2007:572) that appendices 1a and 1 of Finansinspektionen's regulations (FFFS 2007:17) regarding governing operations on trading venues service and activities shall have the following wording.

These regulations shall enter into force on 07 July 2021.

ERIK THEDÉEN

Kristina Wollter

*Appendix 1a***Application for ownership assessment – natural person**

A natural person shall apply for ownership assessment by submitting information to Finansinspektionen in accordance with this appendix, given the following situations:

1. If you intend to directly or indirectly acquire a financial institution and need to apply for permission for the acquisition.
2. If you have a qualifying holding in a firm that is applying for a licence to conduct financial business. *Target company* in this point refers to the firm that is applying for a licence to conduct business. *Acquirer* refers in this point to the physical owner of the firm that is applying for a licence to conduct business.

As a part of the ownership assessment, Finansinspektionen collects information from e.g. The Swedish Police, the Swedish Companies Registration Office, the Swedish Tax Agency, the Swedish Enforcement Authority and firms that provide credit assessments.

Application form

Fill in the information in the form below. Some of the information must be submitted as a separate document. Review the Appendix Checklist on the last page of the application.

Contact information

Who should Finansinspektionen contact about this application?

First name: _____
 Surname: _____
 Title: _____
 Address: _____
 Telephone _____ number: _____
 Email: _____
 Fax: _____

Name of the acquirer: _____

Firm under acquisition (including CIN)?

Exemption from submitting certain information

Are you citing Chapter 2, section 2 or 7 of these regulations as a reason for being exempt from submitting certain information?

Yes

No

If yes, please explain.

If you have previously submitted identical information to Finansinspektionen as part of a separate matter, you can refer to this matter. State the reference number and the information that was submitted.

1. Information about the acquirer

Personal information

1.1 Enter personal details in accordance with the following.

If you are registered in Sweden

First name: _____
 Surname: _____
 Personal identification number: _____
 Address: _____
 Telephone number: _____

*If you are not registered in Sweden**

First name: _____
 Surname: _____
 Personal identification number or equivalent: _____
 Date of birth: _____
 Place of birth: _____
 Address: _____
 Telephone number: _____
 Nationality: _____
 Passport number: _____
 Previous nationalities (if any): _____
 Previous name (if any): _____

* If you are not registered in Sweden, append a certified copy of an identity document.

CV

1.2. Append a CV that contains relevant information about your education, work experience and other assignments.

Financial situation

1.3. State your income for the previous and current calendar year (amounts, sources), your current assets/liabilities and guarantees or other commitments. Also state if there are other factors that can affect your financial position.

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Describe the ownership chain

1.4. Append a description or chart of the chain of ownership before and after the acquisition.

Holdings shall be stated as a percentage of the issued shares. If the number of votes differs from that of shares, also state the number of votes as a percentage of total votes.

Also report the owners that in any other way have a significant influence over the undertaking being acquired, *the target company*. State the business and registered office for all undertakings in the chain of ownership. Also specify the undertakings that are subject to supervision by Finansinspektionen or an equivalent foreign authority.

Describe groups, if applicable

1.5. Append a description or a sketch of any insurance groups or the firms which are part of a consolidated situation, if applicable, in accordance with Article 18 of Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and amending Regulation (EU) No 648/2012 or Article 7 of Regulation (EU) 2019/2033 of the European Parliament and of the Council of 27 November 2019 on the prudential requirements of investment firms and amending Regulations (EU) No 1093/2010, (EU) No 575/2013, (EU) No 600/2014 and (EU) No 806/2014 after the acquisition.

The number of shares shall be stated as a percentage of the total number of shares issued. If the number of votes differs from the number of shares, also state the number of votes as a percentage of the total number of votes.

Also list owners who in any other way have significant influence over the target company. Also specify the undertakings that are subject to supervision by Finansinspektionen or an equivalent foreign authority.

For each undertaking that is part of such a group, state whether it is

- an insurance holding company,
- a financial holding company,
- a mixed financial holding company,
- an investment holding company,
- under the supervision of Finansinspektionen or an equivalent foreign authority, or
- not subject to such financial supervision.

Board and governing body assignments

1.6. Name the firms in which you are an appointed board member, managing director or deputy managing director.

Firm name (including CIN)	Type of business	Registered office	Position on board and title

Ownership involving control

1.7. Name the undertakings in which your ownership signifies control. The definition of control is set out in section 4.

Firm name (including CIN)	Type of business	Registered office	Holding (per cent)

Close relations holding shares

1.8. Indicate if a close relation owns participations in the target company, or in another firm that in turn owns shares in the target company.

Also, indicate if there are other financial relationships between the above parties.

Close relation refers to e.g. a spouse, registered partner, cohabitee, child, parent or other relation with whom you share living accommodations.

Common interests

1.9. Describe any common interests you may share with the following persons that can have an impact on the influence in the target company:

- other shareholders,
- other parties entitled to vote,
- other persons or firms that although not shareholders have the ability to exercise similar influence over the target company, or
- managing directors, deputy managing directors or board members.

Common interests that can have an impact refer to e.g. shareholder agreements or other agreements concerning common ownership.

Conflicts of interest

1.10. Identify any conflicts of interest that may arise as a result of the acquisition and specify how these will be handled.

Reputation of the acquirer

1.11. Have you

a) during the past ten years been convicted by a Swedish or foreign court, or formally been charged as a suspect **in an ongoing investigation**, for a financial crime in respect of which imprisonment is included in the range of penalties?

Yes

No

b) during the past ten years been sentenced to imprisonment by a Swedish or foreign court for a crime other than that specified in 1.11a?

Yes

No

c) during the past five years been a board member or managing director or deputy managing director of a commercial undertaking in which the board of directors was not granted a release from liability?

Yes

No

d) during the past five years been dismissed from employment at a financial institution or as a senior manager or from an assignment as a board member or auditor in another operating company?

Yes

No

1.12. To the best of your knowledge, have you or any firm in which you are or have been part of the governing body or a board member or have or have had control:

a) during the past five years been (or still are) party to arbitration proceedings or civil (excluding family-related matters) or management proceedings concerning tax or business?

Yes

No

b) during the past five years been (or still are) subject to a debt restructuring, composition or company reconstruction or entered into bankruptcy or an equivalent process in another country?

Yes

No

c) been sanctioned by either a Swedish or foreign supervisory authority?

Yes

No

d) during the past ten years, either in Sweden or in another country, had an application rejected, been excluded from conducting business or in another way had limitations placed on your right to conduct business or a profession that requires a licence, registration or the equivalent?

Yes

No

e) during the past ten years been the subject of a suitability assessment by a foreign supervisory authority?

Yes

No

1.13. If you have answered yes to any of the questions under 1.11 and 1.12, please explain.

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2. Information about the acquisition

2.1. Specify the size of the holding you intend to acquire in the target company. The number of shares shall be stated as a percentage of the total number of shares issued. State the number of shares before and after the acquisition (direct and indirect). If the voting rights differ from the participation, also state the number of votes as a per cent of the total number of votes.

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2.2. State the expected date of acquisition.

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2.3. State the purpose of the acquisition. Do not answer this question if this information appears in 4.1.1a.

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3. Financing the acquisition

3.1. Specify how you intend to finance the acquisition. Describe the background of all financing items (whether monetary or other type of asset), their value, to whom they belong and in which jurisdiction they are located. Append documentation that supports this information.

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3.2. Specify if there is a co-operation with a natural or legal person with regard to financing the acquisition and describe the conditions of this co-operation.

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4. Business plan and detailed information about the acquisition

Provide information about the acquisition in accordance with one of the following options:

- ownership involves control¹ (4.1),
- ownership does not involve control, but totals 20 per cent or more and when ownership is qualifying but below 20 per cent (4.2).

If Finansinspektionen requires additional information to assess the suitability of the acquirer, it can also request information in accordance with section 4.1 below.

4.1. Information when ownership signifies control

An acquirer has control over the target company if the acquirer directly or indirectly receives a majority of the votes or shares. Furthermore, an acquirer has control of the target company if the acquirer is a shareholder and

- has the right to appoint or dismiss a majority of the members of the target company's administrative, management or supervisory bodies, or
- via agreements with other owners in the target company has access to more than half of the votes for all shares or participations.

Business plan

If your ownership involves control, append a business plan that includes the following:

1. A *strategic development plan* that includes a description of
 - a) the purpose and objective of the acquisition and how these will be achieved,
 - b) planned changes to the business of the target company, e.g. products, customers and any reallocation of assets,
 - c) the planned integration of the target company with the acquirer's group, if relevant, and

¹Cf. Chapter 1, section 4 of the Annual Accounts Act (1995:1554).

d) information about the acquirer's intent and ability to contribute capital to the target company if needed.

3. *Forecasts* for the target company for the coming three years.

The following information shall be provided in a forecast:

- a) balance sheet and profit and loss account,
- b) important key ratios, and
- c) solvency or capital adequacy calculations.

4. *A description of how the acquisition will impact the governance and organisation of the target company.* In particular, specify if the acquisition will affect:

- a) the composition of the board of directors and company management,
- b) the organisation's operational structure (enclose an organisational chart), and
- c) outsourcing.

4.2. Information when ownership does not entail control, but totals 20 per cent or more, and when ownership is qualifying but below 20 per cent.

If the acquisition does not involve the acquirer obtaining control over the target company, but results in the holding amounting to 20 per cent or more, the following information about the acquisition shall be enclosed:

- 1. if the acquirer intends in the foreseeable future to increase or decrease its holding in the target company, and
- 2. whether the acquirer intends to actively attempt to exercise influence over the target company (and specify the circumstances related thereto).

Information

Submit any additional information to Finansinspektionen below.

The undersigned hereby certifies that the information submitted in this application is correct and complete.

Date:

.....
Signature

.....
Name in print

Checklist – documents that must be appended to an application for ownership assessment for natural persons

The following documents shall be appended to the application:	Appended	If not enclosed, state the reason
If you are not registered in Sweden: a certified copy of an identity document as set out in section 1.1.		
CV as set out in section 1.2.		
A description or chart of the entire ownership chain, before and after the acquisition, as set out in section 1.4.		
A description of the group (if relevant) as set out in section 1.5.		
Documentation that supports the financing of the acquisition as set out in section 3.1.		
A business plan and information as set out in sections 4.1–4.3.		

*Appendix 1b***Application for ownership assessment – legal person**

A legal person shall apply for ownership assessment by submitting information to Finansinspektionen in accordance with this appendix, given the following situations:

1. If the legal person intends to directly or indirectly acquire a financial institution and needs to apply for permission for the acquisition.
2. If the legal person has a qualifying holding in a firm that is applying for a licence to conduct financial business. *Target company* in this point refers to the firm that is applying for a licence to conduct business. *Acquirer* in this point refers to the legal owner of the firm that is applying for authorisation to conduct business.

As a part of the ownership assessment, Finansinspektionen collects information from e.g. The Swedish Police, the Swedish Companies Registration Office, the Swedish Tax Agency, the Swedish Enforcement Authority and firms that provide credit assessments.

Application form

Fill in the information in the form below. Some of the information must be submitted as a separate document. Review the Appendix Checklist on the last page of the application.

Contact information

Who should Finansinspektionen contact about this application?

First name: _____
 Surname: _____
 Title: _____
 Address: _____
 Telephone number: _____
 Email: _____
 Fax: _____

Name of the acquirer: _____

Firm under acquisition (including CIN)?

Exemption from submitting certain information

Is the firm citing Chapter 2, section 2, 6 or 7 of these regulations as a reason for being exempt from submitting certain information?

Yes

No

If yes, please explain.

If the firm has previously submitted identical information to Finansinspektionen as part of a separate matter, you can refer to that matter below. State the registration number and the information that was submitted.

1. Information about the acquirer

Details about the acquirer

1.1 Enter personal details about the acquirer in accordance with the following.

Full name of the firm: _____

CIN/registration number: _____

Head office address: _____

Telephone number: _____

1.2. State the business of the acquirer:

1.3. Append a registration certificate that is at the most two months old.

Financial situation

1.4. Append the most recently adopted annual report.

1.5. If possible, cite credit ratings and credit assessment companies.

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Board of directors and management

1.6. State board members, deputy board members, the managing director and the deputy managing director.

Name	Personal identification number or date of birth	Position on board and title

1.7. All persons mentioned in 1.6 must fill out and sign Appendix 1c.

Describe the ownership chain

1.8. Append a description or chart of the chain of ownership before and after the acquisition.

Holdings shall be stated as a percentage of the issued shares. If the number of votes differs from that of shares, also state the number of votes as a percentage of total votes.

Also report the owners that in any other way have a significant influence over the undertaking being acquired, *the target company*. State the business and registered office for all undertakings in the chain of ownership. Also specify the undertakings that are subject to supervision by Finansinspektionen or an equivalent foreign authority.

Describe groups, if applicable

1.9. Append a description or sketch of any insurance groups or the firms which are part of a consolidated situation, if applicable, in accordance with Article 18 of Regulation (EU) No 575/2013 on prudential requirements for credit institutions or Article 7 of Regulation (EU) 2019/ 2033 on prudential requirements for investment firms after the acquisition.

The number of shares shall be stated as a percentage of the total number of shares issued. If the number of votes differs from the number of shares, also state the number of votes as a percentage of the total number of votes.

Also list owners who in any other way have significant influence over the target company. Also specify the undertakings that are subject to supervision by Finansinspektionen or an equivalent foreign authority.

For each undertaking that is part of such a group, state whether it is

- an insurance holding company,
- a financial holding company,
- a mixed financial holding company,
- an investment holding company,
- under the supervision of Finansinspektionen or an equivalent foreign authority, or
- not subject to such financial supervision.

Common interests

1.10. Describe any common interests the firm may share with the following persons who could have an impact on the target company:

- other shareholders,
- other parties entitled to vote,
- other persons or firms that although not shareholders have the ability to exercise similar influence over the target company, or
- managing directors, deputy managing directors or board members.

Common interests that can have an impact refer to e.g. shareholder agreements or other agreements concerning common ownership.

Conflicts of interest

1.11. Identify any conflicts of interest that may arise as a result of the acquisition and specify how these will be handled.

Reputation of the acquirer

1.12. Has the firm

a) in the past five years, been (or still is) party to arbitration proceedings, civil legal proceedings, or administrative proceedings concerning tax or business activities?

Yes

No

b) during the past five years been (or still is) the object of a composition or company reconstruction or an equivalent process in another country?

Yes

No

c) been sanctioned by either a Swedish or foreign supervisory authority?

Yes

No

d) during the past ten years, either in Sweden or in another country, had an application rejected, been excluded from conducting business or in another way had limitations placed on its right to conduct business that requires a licence, registration or the equivalent?

Yes

No

e) in the past ten years, been the subject of a fit and proper assessment by a foreign competent authority?

Yes

No

1.13. If you have answered yes to any of the questions under 1.12, please describe the circumstances of this:

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2. Information about the acquisition

2.1. Specify the size of the holding the undertaking intends to acquire in the target company. The number of shares shall be stated as a percentage of the total number of shares issued. State the number of shares before and after the acquisition (direct and indirect). If the voting rights differ from the participation, also state the number of votes as a per cent of the total number of votes.

2.2. State the expected date of acquisition.

2.3. State the purpose of the acquisition. Do not answer this question if this information appears in 4.1.1a.

3. Financing the acquisition

3.1. Specify how the undertaking intends to finance the acquisition. Describe the background of all financing items (whether monetary or other type of asset), their value, to whom they belong and in which jurisdiction they are located. Append documentation that supports this information.

3.2. Specify if there is a co-operation with a natural or legal person with regard to financing the acquisition and describe the conditions of this co-operation.

4. Business plan and detailed information about the acquisition

Provide information on the acquisition according to one of the following three options:

- | – ownership involves control¹ (4.1),
- ownership does not entail control, but totals 20 per cent or more (4.2), or
- ownership is qualifying but below 20 per cent (4.3).

If Finansinspektionen requires additional information to assess the suitability of the acquirer, the authority can also request information in accordance with section 4.1 or 4.2 below.

4.1. Information when ownership signifies control

An acquirer has control over the target company if the acquirer directly or indirectly receives a majority of the votes or shares. Furthermore, an acquirer has control of the target company if the acquirer is a shareholder and

- has the right to appoint or dismiss a majority of the members of the target company's administrative, management or supervisory bodies, or
- via agreements with other owners in the target company has access to more than half of the votes for all shares or participations.

Business plan

If the firm's ownership involves control, append a business plan that includes the following:

1. A *strategic development plan* that includes a description of
 - a) the purpose and objective of the acquisition and how these will be achieved,
 - b) planned changes to the business of the target company, e.g. products, customers and any reallocation of assets,
 - c) planned integration of the target company with the acquiring firm's group, and

¹Cf. Chapter 1, section 4 of the Annual Accounts Act (1995:1554).

d) information about the acquirer's aim and ability to contribute capital to the target company if needed.

2. A *solvency or capital adequacy calculation* at the time of the acquisition or at the time of the most recently adopted figures before this point in time, if the acquisition entails that the target company and the acquirer will become part of an insurance group or a consolidated situation in accordance with Article 18 Regulation (EU) No 575/2013 on prudential requirements for credit institutions or Article 7 of Regulation (EU) 2019/ 2033 on prudential requirements for investment firms.

3. A list of the large exposures held by the acquirer at the time of the acquisition, if the acquirer is a financial institution.

4. *Forecasts* for the target company for the coming three years. If the acquisition entails that the target company and the acquirer will become part of an insurance group or a consolidated situation in accordance with Article 18 of Regulation (EU) No 575/2013 on prudential requirements for credit institutions or Article 7 of Regulation (EU) 2019/ 2033 on prudential requirements for investment firms, forecasts shall also be submitted for the group.

The following information shall be provided in a forecast:

a) balance sheet and profit and loss account,

b) important key ratios, and

c) solvency or capital adequacy calculations.

5. A description of how the acquisition will affect governance and organisation of the target company. In particular, specify if the acquisition will affect:

a) the composition of the board of directors and company management,

b) the organisation's operational structure (enclose an organisational chart), and

c) outsourcing.

4.2. Information when ownership does not signify control, but amounts to 20 per cent or more

If the acquisition does not involve the acquirer obtaining control over the target company, but results in the holding amounting to 20 per cent or more, the following information about the acquisition shall be enclosed:

1. information about whether the acquirer intends within the foreseeable future to increase or decrease its holding in the target company,

2. whether the acquirer intends to actively attempt to exercise influence over the target company (and specify the circumstances related thereto).

3. a solvency or capital adequacy calculation at the time of the acquisition or at the time of the most recently adopted figures before this point in time, if the acquisition entails that the target company and the acquirer will become part of an insurance group or a consolidated situation in accordance with Article 18 Regulation (EU) No

575/2013 on prudential requirements for credit institutions or Article 7 of Regulation (EU) 2019/ 2033 on prudential requirements for investment firms, and

4. a list of the large exposures held by the acquirer at the time of the acquisition if the acquirer is a financial institution.

4.3. Information when ownership is qualifying but below 20 per cent

If the acquisition entails that the ownership is less than 20 per cent but is still a qualifying holding, the following information about the acquisition shall be appended:

1. if the acquirer intends in the foreseeable future to increase or decrease its holding in the target company, and
2. whether the acquirer intends to actively attempt to exercise influence over the target company (and specify the circumstances related thereto).

Information

Submit any additional information to Finansinspektionen below.

The undersigned hereby certifies that the information submitted in this application is correct and complete.

Date:

.....
Signature

.....
Name in print

Checklist – documents that must be appended to an application for ownership assessment for legal persons

The following documents shall be appended to the application:	Appended	If not enclosed, state the reason
A certificate of registration that is at the most two months old as set out in section 1.3.		
Adopted annual report for the most recent financial year as set out in section 1.4.		
Appendix 1c for all persons listed in section 1.6.		
A description or chart of the entire ownership chain, before and after the acquisition, as set out in section 1.8.		
A description of the group (if relevant) as set out in section 1.9.		
Documentation that supports the financing of the acquisition as set out in section 3.1.		
A business plan and information as set out in sections 4.1–4.3.		