

REGULATION NO. 3/2016
on the applicable criteria and the procedure for the prudential assessment of acquisitions
and increase of shareholdings in the entities regulated by the Financial Supervisory Authority

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No changes until 1 June 2016.

In accordance with the provisions of art. 2 paragraph (1), art. 3 paragraph (1) letter b) and art. 6 paragraph (2) of the Government Emergency Ordinance no. 93/2012 on the establishment, organization and operation of the Financial Supervisory Authority, approved with amendments and additions under Law no. 113/2013,, with subsequent amendments and additions,

pursuant to the provisions of art. 8 paragraph (8) and art. 43-48 and art. 179 paragraph (4) of Law no. 237/2015 on the authorization and supervision of the insurance and reinsurance business, of art. 8 paragraph (1) letter h), art. 126 paragraph (1) letter c), art. 148 paragraph (1) letter f) and art. 159 paragraph (3) of Law no. 297/2004 on the capital market, with subsequent amendments and additions, of art. 62 paragraphs (3) and (4), art. 63 paragraph (1) and (2), art. 68, art. 70 letter f) and art. 72 paragraph (2) letter b) -f) of Law no. 411/2004 on privately managed pension funds, republished, with subsequent amendments and additions, of art. 4 paragraph (3) letters b) -f) and paragraph (4), art. 19 and art. 21 paragraphs (3) and (4) of Law no. 204/2006 on voluntary pensions, with subsequent amendments and additions, of art. 9 paragraph (1) letter d) of the Government Emergency Ordinance no. 32/2012 on undertakings for collective investment in transferable securities and investment management companies and amending and supplementing Law no. 297/2004 on the capital market, approved with amendments and additions by Law no. 10/2015, with subsequent amendments and additions, and of art. 7 paragraph (2) letter b) of Law no. 74/2015 on alternative investment fund managers, with subsequent amendments and additions, according to deliberations of the Financial Supervisory Authority's Board in the meeting of 30 March 2016,

The Financial Supervisory Authority issues this regulation.

CHAPTER I
General provisions

SECTION 1
Purpose and definitions

Art. 1. - This regulation establishes the applicable criteria and the procedure for the prudential assessment of acquisitions and increase of shareholdings in the regulated entities referred to in art. 2.

Art. 2. - (1) This regulation shall apply to:

a) potential acquirers and significant shareholders of the financial investment companies, investment management companies, alternative investment fund managers, central counterparty, insurance and/or reinsurance companies;

b) potential acquirers and shareholders with holdings representing 5% of the voting rights of the central depository, other than market operators;

c) potential acquirers/shareholders with the capacity of market operator, with holdings of at least 5%, but no more than 75%, of the voting rights of the central depository;

d) potential acquirers and shareholders with holdings representing 20% of the voting rights of the market operator.

(2) Provisions of this Regulation, except for art. 10 paragraphs (2) - (7) and art. 16 paragraphs (1) - (6), shall apply accordingly to significant shareholders/potential acquirers of private pension fund managers.

(3) For the implementation of provisions of paragraph (1) letters b), c) and d) and paragraph (2):

a) references to the potential acquirer or significant shareholder shall be deemed references to the shareholders and founders of the entities referred to in paragraph (1) letters b), c) and d) and paragraph (2);

b) references to the qualifying holding shall be deemed to be made at the appropriate levels to the proportion of the voting rights or share capital referred to in paragraph (1) letters b), c) and d).

(4) If the number of significant shareholders is less than five, the regulated entity shall notify the Financial Supervisory Authority, hereinafter referred to as A.S.F., the identity of the largest 20 shareholders, as well as of those acting in concert, determining at least one qualifying holding, regardless of the percentage of ownership in the share capital and/or voting rights, including the information referred to in art. 38 paragraph (3).

Art. 3. - Assessment of compliance with the criteria laid down in this Regulation concerning shareholders, natural or legal persons who are to hold qualifying holding in the capital of regulated entities referred to in art. 2 shall be made within the process of authorization of the regulated entity and the supervision process when acquiring or increasing holdings that have contributed to the thresholds referred to in art. 2 paragraph (1) letters b), c) and d) and art. 4 paragraph (2) point 20.

Art. 4. - (1) The terms, abbreviations and expressions used in this Regulation, except as provided in par. (2), have the meanings of sector specific legislation applicable to financial supervision, referred to in art. 2 paragraph (1) letters a) -c) of the Government Emergency Ordinance no. 93/2012 on the establishment, organization and operation of the Financial Supervisory Authority, approved with amendments and additions under Law no. 113/2013, with subsequent amendments and additions.

(2) For the purpose of this Regulation, the terms and expressions below have the following meaning:

1. significant shareholder - a person who, directly or indirectly, individually or in concert, holds a qualifying holding;

2. to acquire - to gain by any means a qualifying holding;

3. approval - process by which A.S.F. approves, authorizes or endorses;

4. real beneficiary - natural person who eventually owns or controls the acquirer and/or the person in whose name the acquisition is made; person ultimately exercising effective control of the acquirer that is established as a legal person or under a legal agreement;

5. control - the relationship between a parent company and its subsidiaries, as provided in point 22, or a similar relationship between natural or legal persons and an entity, any subsidiary of a subsidiary also being considered as subsidiary of the parent undertaking;

6. involuntary surpassing or reduction of a threshold - a situation that can be generated by share repurchase operations by the regulated entity or capital increase operations of the regulated entity to which some of the existing shareholders do not exercise their subscription right;

7. indirect holding - situation where a person holds a share of the capital or voting rights in a regulated entity through a legal entity over which it exercises control;

8. financial and banking field - banking market and non-banking financial markets supervised by the National Bank of Romania, hereinafter referred to as N.B.R., or by A.S.F., or equivalent competent authorities in other Member States or third states.

9. exercise of effective supervision - a situation where A.S.F. is able to fulfill their supervisory duties without being impeded by people who have close links with the entities referred to in art. 2 or by laws, regulations and administrative procedures in another states governing the persons with close links with them or difficulties in applying these laws, regulations and administrative procedures;

10. subsidiary - company controlled by a parent company, a company established by the parent company, which owns the majority share capital of the subsidiary and exercises control over it, or the entity, legal person, which is in relation to the parent company in one of the situations referred to in point 22;

11. dominant influence - situation where a person is, directly or indirectly, in relation to a regulated entity, in at least one of the following cases:

- a) owns the majority share capital;
- b) holds control over the majority voting rights;
- c) can appoint in the management structure more than half of its members;
- d) there is a contract concluded with the regulated entity or a clause in the articles of association thereof giving this position;

12. significant influence - it is considered that a potential acquirer exercises a significant influence when its holdings, although below the threshold of 10%, allow it to exercise an important influence in the management of the regulated entity, such as having a representative in the Board of Directors; holdings of less than 10% overlap the approval requirements, from case to case, depending on the ownership structure of the regulated entity and specific involvement of the acquirer in its management;

13. essential information - information whose omission or erroneous content influence the decisions of A.S.F. adopted in the evaluation process under Chapter III;

14. close links - situation in which two or several natural or legal persons are connected by:

- a) shareholding, respectively directly or indirectly holding 20% or more of the voting rights or share capital of a company/entity;
- b) control;

15. qualifying holding - direct or indirect holding of the voting rights or share capital of an entity, accounting for at least 10% of these or allowing the exercise of significant influence over the management of that entity; in the case of the central depository, the threshold is 5% and for the market operator - 20%;

16. participant in the capital of the regulated entity - founder, shareholder, associate, acquirer;

17. person - natural person, legal person or another legal entity without legal personality;

18. persons acting in concert - two or more persons linked through an implicit or explicit agreement concluded between them and planning to exercise a significant influence over the regulated entity; the agreement may be concluded in written or oral form or occurs only in facts or whether the persons are linked in any other way;

19. controlled person - any legal person:

- a) in which a natural person or a legal entity holds the majority voting rights; or
- b) in which a natural person or legal entity has the right to appoint or revoke the majority of management, administration or supervision bodies, being, at the same time, shareholder or associate of the respective person; or
- c) in which a natural person or legal entity is shareholder or associate and controls by itself, under an agreement concluded with other shareholders or associates of the respective person, the majority of voting rights of shareholders or associates; or
- d) over which a natural person or legal entity has the power to exercise or actually exercises a dominant influence or control;

20. potential acquirer - any person acting individually or in concert and aiming:

- a) to acquire, directly or indirectly, a qualifying holding in a regulated entity;
- a) to increase, directly or indirectly, its qualifying holding in a regulated entity, so that:
 - (i) it reaches or exceeds 20%, 33% or 50% of total voting rights or share capital; for the central counterparty, the threshold of 33% is replaced with 30%;
 - (ii) the regulated entity to become its subsidiary;
- 21. proposed acquisition - documentation and information sent to A.S.F. by a potential acquirer regarding the acquisition or increase, directly or indirectly, of voting rights in a regulated entity or increase in the contribution to the share capital thereof;
- 22. parent company - an entity in any of the following situations:
 - a) has the majority of voting rights in another entity (a subsidiary);
 - b) has the right to appoint or replace a majority of members of the management, administration or supervision bodies of another entity (a subsidiary) and is also a shareholder/associate or member of that entity;
 - c) has the right to exercise a dominant influence over an entity (a subsidiary) whose shareholder/associate or member it is, pursuant to a contract entered into with that entity or to some provisions in the articles of association, if the legislation applicable to the subsidiary allows it to be subject to such contracts or provisions;
 - d) is shareholder/associate or member of an entity and the majority of members of management, administration or supervision bodies of that subsidiary, in office in the current financial year, in the previous financial year and until the date when the consolidated annual financial statements are prepared, were appointed only as a result of exercising its voting rights; this provision shall not apply to the situation where another entity has in the subsidiary the rights referred to in letters a), b) or c);
 - e) is shareholder/associate or member of an entity and controls by itself, based on an agreement concluded with other shareholders/associates or members of that entity (a subsidiary) the majority of voting rights in that subsidiary;
 - f) has the right to exercise or actually exercises a dominant influence or control over another entity (a subsidiary);
 - g) the parent company together with another entity (a subsidiary) are led on a unified basis by the parent company;
- 23. the financial solidity of the potential acquirer - the capacity of the potential acquirer to finance the proposed acquisition and maintain a solid financial structure in the foreseeable future; the capacity must reflect in the purpose of acquisition and in the potential acquirer's policy regarding the acquisition, and in case of changing control, also in the forecast of financial objectives, consistent with the strategy outlined in the business plan;
- 24. supervisor of the acquirer - the competent authority responsible with the supervision of the financial and banking institution that has the capacity of acquirer;
- 25. management structure - the Board of Directors/Supervisory Board and the executive management/senior management;
- 26. group structure - includes the members of the group, including parent companies and subsidiaries, as well as intra-group corporate governance rules (mechanisms for making decisions, level of independence, the management of capital);
- 27. assessment period - the period of 60 working days in which A.S.F. assesses a proposed acquisition, as of the date on which A.S.F. sends to the potential acquirer acknowledgment of receipt of complete documentation relating to the proposed acquisition;
- 28. GEO no. 98/2006 - Government Emergency Ordinance no. 98/2006 regarding the supplementary supervision of credit institutions, insurance and / or reinsurance companies, financial investment services companies and asset management companies which are part of a financial conglomerate, approved with amendments and additions by Law no. 152/2007, with subsequent amendments and additions;

29. GEO no. 202/2008 - the Government Emergency Ordinance no. 202/2008 on the implementation of international sanctions, approved with amendments by Law no. 217/2009, with subsequent amendments and additions;

30. Law no. 656/2002 - Law no. 656/2002 on preventing and sanctioning money laundering, as well as on measures to prevent and combat terrorism financing, republished, with further amendments;

31. Law no. 237/2015 - Law no. 237/2015 on the authorization and supervision of the insurance and reinsurance business;

32. Regulation no. 14/2015 - Regulation of the Financial Supervisory Authority no. 14/2015 on the evaluation and approval of members of the management structure and people who hold key positions in entities regulated by the Financial Supervisory Authority;

33. Regulation no. 16/2014 - Regulation of the Financial Supervisory Authority no. 16/2014 on revenues of the Financial Supervisory Authority, with further amendments;

34. Regulation no. 1/2008 - Regulation no. 1/2008 on the implementation of Directive 2007/14/EC laying down detailed rules for the implementation of certain provisions of Directive 2004/109/EC on information about issuers whose securities are admitted to trading on a regulated market, approved by Order of the National Securities Commission no. 28/2008;

35. Regulation no. 1/2006 - Regulation no. 1/2006 on issuers and securities operations, approved by Order of the National Securities Commission no. 23/2006, with subsequent amendments and additions.

SECTION 2

General provisions on assessment

Art. 5. - Assessment of potential acquirers is made in compliance with the principle of proportionality, taking into account the following aspects:

a) the purpose of acquisition, for portfolio diversification or for involvement in the management of the company, and influence that could be exercised over the regulated entity after the acquisition;

b) content and volume of information necessary to assess the adequacy of potential acquirers are sized in correlation with:

(i) the quality of natural person or legal person;

(ii) the quality of the potential acquirer of entity in the financial and banking field supervised by another competent authority in Romania, from another Member State or from a third state;

(iii) gaining the position of control as a result of the proposed acquisition;

(iv) gaining a shareholding representing a portfolio investment without involvement in the management of the regulated entity;

(v) the proposed acquisition represents an intra-group transaction;

c) A.S.F. is already in possession of some of the information requested according to this regulation to assess the potential acquirer.

Art. 6. - (1) For the purpose of this Regulation, in order to determine the action in concert, the following situations can be considered, the enumeration not being exhaustive:

a) the existence of cooperation agreements between shareholders in terms of corporate governance;

b) the existence of family relationships;

c) the relationship between a potential acquirer who holds a position in the management structure of an entity and that entity;

d) the relationship between persons within the same group;

e) the use by different persons of the same sources of financing for the acquisition or increase of qualifying holdings in the regulated entity concerned;

f) the constant exercise, in the same way, of voting rights.

(2) Also, in case of cooperation between shareholders in relation to the appointment of members of the Board of Directors of the Supervisory Board, the following aspects can be considered:

- a) the nature of relationship between shareholders and the proposed members;
- b) the number of members proposed for whom voting is made on the basis of an agreement;
- c) the cooperation between shareholders in several situations related to the appointment of members;
- d) the draft decision for the appointment of certain members, in order to exercise the vote in the same way, if applicable;
- e) changing the power to make decisions (change in the balance of power) in the Board of Directors or the Supervisory Board, determined by the appointment of the members proposed.

(3) Cooperation between shareholders regarding the actions listed below does not lead, by itself, to the conclusion that shareholders act in concert, if:

- a) there are discussions about the possible aspects that must be addressed with the management structure of the regulated entity;
- b) viewpoints are presented to the management structure of the regulated entity regarding policies, practices and certain actions which it could consider;
- c) the legal rights of shareholders are exercised, other than those regarding the appointment of members of the Board of Directors or of the Supervisory Board:
 - (i) introducing items on the agenda of the general meeting of shareholders;
 - (ii) presenting draft decisions for items included or proposed to be included on the agenda of the general meeting; or
 - (iii) convening a general meeting, other than the annual general meeting;
- d) there is an agreement to vote in the same way regarding a certain decision of the general meeting of shareholders, except the vote on the appointment of the Board of Directors or of the Supervisory Board, to approve or reject:
 - (i) a proposal regarding the remuneration of members of the Board of Directors/Supervisory Board;
 - (ii) an acquisition or disposal of assets;
 - (iii) a capital reduction and/or share repurchase;
 - (iv) a capital increase;
 - (v) the distribution of dividends;
 - (vi) the appointment, replacement or remuneration of auditors;
 - (vii) the financial statements of the company; or
 - (viii) the company's policy in relation to the economic environment or any other aspect regarding social accountability or compliance with recognized standards or codes of conduct;
 - (ix) transactions with the controlled persons.

Art. 7. - In order to assess whether a holding of less than 10% of the capital or voting rights give the potential acquirer the possibility to exercise a significant influence over the administration and management of the regulated entity, at least the following elements shall be taken into account:

- a) the ownership structure of the regulated entity and of the parent company, if applicable, as well as the dispersion of shares and voting rights allocated;
- b) the quality of member in the management structure or the possibility to appoint representatives in the management structure of the regulated entity;
- c) the position of the potential acquirer in the group structure the regulated entity concerned is part of;
- d) existence of additional rights in the regulated entity by virtue of contract entered into with it or of certain provisions of the articles of association;
- e) influence over the decision-making process regarding the operational and financial strategy of the regulated entity.

Art. 8. - (1) Identifying the indirect holding of a qualifying holding in a regulated entity envisages the existence of an uninterrupted relationship of control, in the chain of ownership, between entities that do not own direct shareholding in the regulated entity concerned.

(2) The level of indirect qualifying holding held by any of the participants with indirect holding identified in the control line is equal to the level of qualifying holding of the direct shareholder in the regulated entity.

Art. 9. - A.S.F. may decide, from case to case, the assessment only of the person with the quality of final indirect owner of the shareholding and of persons who hold direct shares in the regulated entity, unless the A.S.F. deems necessary to assess one or several intermediary holders in the chain of equity holders, taking into account the following aspects:

a) the way in which the decisions are made in succession levels of holdings, from the person who has as the quality of ultimate owner (real beneficiary) to the person who owns directly a qualifying holding (direct shareholder);

b) influence which the participants with indirect holding plan to exercise over the regulated entity concerned, for example, if they declare their intention to get involved in the management and financing of the regulated entity concerned or prove otherwise.

CHAPTER II Proposed acquisition

SECTION 1 Qualifying holdings

Art. 10. - (1) The potential acquirer, through the regulated entity, as the case may be, shall submit to A.S.F., for approval of the proposed acquisition and the quality of significant shareholder, the documents referred to in art. 31 or 33, including the relevant information referred to in appendices no. 1 and 2 or in the appendix no. 3, as applicable, indicating the value of the shareholding to be held.

(2) Shareholders who plan to dispose of, directly or indirectly, a qualifying holding, shall notify the A.S.F. the respective intention, mentioning the number of shares alienated and the shareholding held following the disposal.

(3) The notification mentioned in paragraph (2) shall also be sent if shareholders diminish their qualifying holding in a regulated entity, so that:

a) the capital owned or the voting rights decrease below the thresholds referred to in art. 4 paragraph (2) point 20 letter b) point (i);

b) the regulated entity ceases to be their subsidiary.

(4) The proposed acquisition or notification referred to in paragraphs (2) and (3) shall be submitted to A.S.F. by the potential acquirer, respectively by the shareholder, as soon as possible from the date of making the decision.

(5) The proposed acquisition or notification referred to in paragraphs (2) and (3) shall also be submitted to A.S.F. in the event of involuntary exceeding or, respectively, reduction a threshold by the shareholder or the persons it acts in concert with.

(6) In situations referred to in paragraph (5) the shareholders shall submit to A.S.F. the documentation related to the proposed acquisition or the notification regarding the reduction of shareholding as soon as they became aware of overcoming or reducing a threshold.

(7) In case of shareholdings held in a regulated entity whose shares are traded in a regulated market or within an alternative trading system, the obligation referred to in paragraph (3) shall also apply to the central

depository for the notification of the regulated entity previously mentioned within two working days from the end of each month and based on the following procedures:

a) participants using global accounts in the system of the central depository shall report to it, in the last working day of each month, data and information regarding the identity of customers with holdings in the regulated entity and the number of shares of the entity held by them, registered in the own back-office systems;

b) the central depository centralizes, at the end of the last working day of each month, data and information referred to in letter a) and, as the case may be, data and information provided by the individual accounts from the system, in order to bring together all shareholdings of the regulated entity on behalf of a person, having a certain unique identifier (personal identification number/CUI/passport/tax code).

(8) Transactions performed within the group of an existing shareholder that do not involve any real or substantial change in the direct or indirect ownership structure of the regulated entity or in the influence that the group exercises in the regulated entity do not determine the reassessment of the group.

Art. 11. - Notwithstanding art. 16, if A.S.F. receives for assessment two or several proposed acquisitions regarding the same regulated entity, it shall ensure non-discriminatory treatment to all potential acquirers.

Art. 12. - (1) In the case of persons acting in concert, the proposed acquisition shall be submitted to A.S.F., through the regulated entity, as applicable, by each party involved or by one of these parties on behalf of the group of the persons acting in concert, without this to prejudice the obligation of provision of documents referred to in art. 31 or 33 and information mentioned in the appendices no. 1 and 2 or in the appendix no. 3 by each of the persons concerned.

(2) In the proposed acquisition it shall be expressly mentioned whether it is sent for each party involved or on behalf of the group of persons acting in concert, indicating their names or business names and the shareholding envisaged.

(3) Provisions from paragraph (1) shall also apply correspondingly if the qualifying holding will be held indirectly through one or several persons through a relation of control.

(4) In the case of persons acting in concert, A.S.F. shall assess on both the significant individual holdings and those in concert.

Art. 13. - Regulated entities are required to keep records allowing them to identify the persons who own qualifying holding and to request their shareholders, regardless of shareholding, the necessary information to classify them in the category who own, directly or indirectly, qualifying holdings.

Art. 14. - The regulated entities referred to in art. 2 shall notify A.S.F. as soon as they become aware regarding acquisitions or disposals or shareholdings leading to the increase or decrease in the shareholding compared to the thresholds mentioned in art. 2 and art. 4 paragraph (2) point 20.

Art. 15. - The proposed acquisition includes the documents referred to in art. 31 or 33 and the list of information necessary for assessment mentioned in appendices no. 1 and 2 or in the appendix no. 3, as the case may be.

SECTION 2

Assessment period

Art. 16. - (1) A.S.F. shall submit to the potential acquirer, within two working days from registration, an acknowledgment of receipt of the proposed acquisition or information referred to in par. (4) and (5).

(2) A.S.F. has available, to conduct the assessment, a period of no more than 60 working days from the date of written acknowledgment of receipt of the proposed acquisition and all information and documents provided for in this Regulation.

(3) The assessment period starts running only after the complete transmission of all information and documents requested.

(4) With the transmission of the acknowledgment of receipt referred to in paragraph (1), A.S.F. shall communicate to the potential acquirer the date of expiration of the assessment period.

(5) During the assessment period, but no later than the 50th working day, A.S.F. may request in writing to the potential acquirer to send, within 20 working days, additional documents and information necessary to complete the assessment of the proposed acquisition.

(6) The assessment period is interrupted between the date of request in writing of additional information mentioned in par. (5) and the date of their receipt; in the case of further additional requests, other than those referred to in par. (5), the assessment period is no longer interrupted.

(7) The period of interruption of the assessment period may be extended up to 30 working days, if the potential acquirer is established and regulated in a third state and is not supervised by a competent authority in the financial field of a Member State.

(8) A.S.F. may reject the proposed acquisition and request for approval of the significant shareholder only if there are reasonable grounds in this regard, based on criteria provided for in art. 18, or if the information provided by the potential acquirer remain incomplete following the subsequent request by A.S.F.

(9) In the event of application of par. (8), A.S.F. shall communicate to the potential acquirer or regulated entity, as the case may be, the reasoned decision, within two working days from issuing it.

(10) The proposed acquisition and the significant shareholder are considered approved if A.S.F. does not communicate to the potential acquirer or, as the case may be, regulated entity, in the assessment period, the decision referred to in par. (9).

(11) The decision of approval of the proposed acquisition and of the significant shareholder issued by A.S.F. shall mention the deadline for completing the acquisition, which is no more than 60 working days and may be extended by A.S.F. when necessary.

SECTION 3

Cooperation with other competent authorities

Art. 17. - (1) In achieving the assessment of the proposed acquisition and of the potential acquirer, A.S.F. collaborates with other national supervisory authorities or from other Member States, if the potential acquirer is:

a) credit institution, insurance company, reinsurance company, investment company or investment management company, alternative investment fund manager, collective investment undertaking or alternative investment fund authorized in another Member State or in another sector of the financial and banking field;

b) parent company of an entity in the category of those provided for in letter a) which is authorized in another Member State or in another sector of the financial and banking field;

c) natural or legal person controlling the entities in the category of those provided for in letter a) which is authorized in another Member State or in another sector of the financial system;

(2) A.S.F. shall request from other authorities essential and relevant information, which it shall consider in assessing the proposed acquisition.

(3) The decision issued by A.S.F. regarding the proposed acquisition and significant shareholder shall mention the opinions or reservations expressed by the competent authority of the potential acquirer.

CHAPTER III

Assessment of potential acquirers

SECTION 1

Assessment criteria

Art. 18. - When examining the proposed acquisition referred to in art. 10 and, as the case may be, of additional information requested, in order to ensure the correct and prudent administration of the regulated entity concerned by the proposed acquisition and taking into consideration the possible influence of the potential acquirer over it, A.S.F. shall assess the adequate nature of the potential acquirer, as well as the financial solidity of the regulated entity following completion of the proposed acquisition, based on the following criteria cumulatively fulfilled:

- a) reputation/moral probity of the potential acquirer;
- b) reputation and experience of any person who will exercise responsibilities of management of the regulated entity, as a result of the proposed acquisition;
- c) soundness and financial stability of the potential acquirer, especially regarding the type of activity currently carried out and that expected to be carried out by the regulated entity concerned by the proposed acquisition;
- d) capacity of the regulated entity to observe and permanently comply with prudential requirements, so as:
 - (i) to ensure compliance with the prudential indicators provided for by the specific applicable legislation and secondary regulations issued for its implementation, by the European legislation with direct applicability and, as the case may be, those provided for by other incidental legislation, especially by GEO no. 98/2006;
 - (ii) the group structure following the completion of the proposed acquisition allows the exercise of effective supervision, efficient exchange of information between the competent authorities and allocation of responsibilities between them;
- e) assessing the risks of money laundering or terrorist financing and identifying reasonable grounds to suspect, in connection with the proposed acquisition, that an operation of money laundering or terrorist financing is taking place, or has taken place or is attempted to be committed, or that the proposed acquisition could increase the risk thereof, under the Law no. 656/2002.

SECTION 2

Reputation/moral probity of the potential acquirer

Art. 19. - (1) Assessing the reputation/moral probity of the potential acquirer takes into account the following elements;

- a) integrity;
- b) professional competence.

(2) The potential acquirer is presumed to have a good reputation if there are no objective and provable reasons determining reasonable doubts in this regard.

Art. 20. - (1) Requirements regarding the integrity of the potential acquirer shall be assessed according to par. (2)-(5) regardless of the level of qualifying holding which it will hold and involvement in the administration and management of the regulated entity or influence it plans to exercise over it.

(2) In assessing the integrity of the potential acquirer, at least the following shall be taken into account, to the extent relevant, in that they can induce doubts about fulfilling the criterion:

- a) convictions for offenses of corruption and service, money laundering or financing of terrorism, crimes against property, forgery, embezzlement, tax evasion, perjury, offenses under special legislation in the financial, banking and tax field, under the legislation on companies regulated by the Companies Law no. 31/1990, republished, with subsequent amendments and additions; under the legislation on insolvency or consumer protection;
- b) the potential acquirer has been or is under criminal investigation or prosecuted for offenses referred to in letter a);

c) ongoing investigations, measures and administrative sanctions for failure to comply with the provisions regulating the financial and banking field;

d) ongoing investigations, measures and sanctions applied by other regulatory or professional bodies for failure to comply with relevant provisions.

(3) Integrity of the potential acquirer is doubted if there is information regarding the lack of correctness shown in businesses carried out in the past given aspects such as:

a) indication of the lack of transparency, openness and fairness in relation to supervisors or regulators, attempts to avoid the assessment within proceedings of authorization of a regulated entity, knowingly ignoring the obligation to notify the intention to acquire a qualifying holding in a regulated entity or attempted avoidance of assessment as a potential acquirer;

b) the potential acquirer was denied registration, authorization, granting of membership or was denied licensing for a trade, business or profession, such registration, authorization, membership or license has been revoked, withdrawn or canceled, or was excluded by a regulatory or professional body;

c) the potential acquirer was released from a position of trust, a fiduciary relationship or a similar position, due to failure to perform contractual obligations;

d) the potential acquirer is banned to hold a leading position in a company.

(4) Assessing the integrity of the potential acquirer shall take into account the criterion regarding the risk of money laundering and financing of terrorism, regardless of value or other characteristics of the shareholding.

(5) A.S.F. shall assess the relevance of statements such as those referred to in par. (2) and (3), from case to case, given the seriousness of the circumstances specific to each situation, and that such situations can be considered significant together, even if taken separately they may not have relevance.

Art. 21. - (1) The professional competence of the potential acquirer means:

a) experience and competence in administration, hereinafter referred to as administrative competence;

b) experience and competence in the field of activities carried out by the regulated entity, hereinafter referred to as technical competence.

(2) When assessing the requirements on the professional competence, it shall take into account the particularities of each case, in particular the level of shareholding to be held and the expected degree of involvement of the potential acquirer in administration and management of the regulated entity concerned.

(3) For the purpose of paragraph (2), situations shall be considered such as:

a) the potential acquirer is not in position to exercise or does not plan to exercise an influence over the regulated entity, in which case it only fulfills the requirements regarding the administrative competence;

b) the potential acquirer will participate in the capital of the regulated entity in order to diversify its portfolio or obtain dividends or income from capital, and not to get involved in the administration of the regulated entity, in which case it fulfills the requirements on administrative competence, and requirements on technical competence may be reduced significantly;

c) the potential acquirer will hold control over the regulated entity or exercise a significant influence over it, in which case it fulfills the requirements on administrative competence and the level of technical competence is proportional with the nature and complexity of activities proposed.

(4) If the potential acquirer is a legal person, the assessment of the professional competence targets the persons who actually run its activity.

Art. 22. - The administrative competence is assessed given the previous experience of the potential acquirer in acquiring and administrating shareholdings in entities, which must demonstrate skill and diligence.

Art. 23. - The technical competence is assessed given the previous experience of the potential acquirer gained as shareholder that exercised control over entities in the financial and banking field and/or as person that administrated and/or managed the activity of such companies and has demonstrated skill and diligence.

Art. 24. - (1) Requirements of reputation can also be considered fulfilled if:

a) the potential acquirer is a natural or legal person already considered with good reputation in its quality of significant shareholder in an entity regulated and supervised by A.S.F., N.B.R. or a similar supervisory authority in another Member State;

b) the potential acquirer is a natural person ensuring the management and/or administration of activity of an entity regulated and supervised by A.S.F., N.B.R. or a similar supervisory authority in another Member State;

c) the potential acquirer is an entity regulated and supervised by A.S.F., N.B.R. or a similar supervisory authority in another Member State.

(2) Assessment of requirements of reputation may be facilitated by cooperation with the competent supervisory authority in the third country whose regulations on requirements of reputation are considered equivalent, if:

a) the potential acquirer is a natural or legal person already considered with good reputation in its quality of significant shareholder in an entity in the financial and banking field supervised by a supervisory authority in a third state;

b) the potential acquirer is a natural person ensuring the management and/or administration of activity of an entity in the financial and banking field supervised by a supervisory authority from a third state;

c) the potential acquirer is an entity in the financial and banking field supervised by a supervisory authority from a third state.

(3) If the potential acquirer is a legal person, requirements of reputation shall be complied by both the legal person and persons ensuring the management of its activity.

SECTION 3

Reputation and experience of persons ensuring the executive management/senior management of the regulated entity, as a result of the proposed acquisition

Art. 25. - (1) Assessing the reputation and experience of persons proposed to ensure the executive management/senior management with the assessment of the potential acquirer shall be made when the potential acquirer has already identified the persons who will be appointed in the executive management/senior management.

(2) In case of application of provisions of paragraph (1), the assessment of persons who will be appointed in the executive management/senior management shall be made in accordance with the provisions of Regulation no. 14/2015.

(3) In the situation where, following the assessment, persons proposed for the executive management/senior management do not fulfill the requirements provided for in the Regulation no. 14/2015, the proposed acquisition shall be rejected.

SECTION 4

Soundness and financial stability of the potential acquirer

Art. 26. - (1) Soundness and financial stability of the potential acquirer is assessed from the perspective of its capacity to finance the shareholding and maintain a solid financial structure, to ensure the correct and prudent administration of the regulated entity at least for the next 3 years, while considering the principle of proportionality referred to in art. 5.

(2) In the case of the potential acquirers following to hold control over the regulated entity, its soundness and financial stability shall be analyzed in correlation with the projected financial targets, compatible with the strategy included in the business plan, as well as with the criterion mentioned in art. 18 letter d), regarding the capacity of the regulated entity to observe prudential requirements.

(3) If, following the assessment made based on information received, A.S.F. finds that the potential acquirer could face financial difficulties during the acquisition process or in the next 3 years, the proposed acquisition is rejected.

Art. 27. - (1) Information requested to assess the soundness and financial stability of the potential acquirer depends on its legal status, as follows:

- a) it is a regulated entity or financial institution subject to prudential supervision;
- a) it is a legal person, other than a regulated entity or a financial institution;
- c) it is a natural person.

(2) If the potential acquirer is an entity regulated and prudentially supervised by another supervisory authority in Romania, from another Member State or from a third country whose regulations in the prudential field are considered equivalent, A.S.F. shall consider the assessment of the financial situation of the potential acquirer made by the respective supervisory authority, in conjunction with documents sent to A.S.F. directly by the supervisory authority of the potential acquirer.

(3) The process of cooperation with other competent supervisory authorities is influenced by the nature of the potential acquirer and its place of residence, as follows:

a) if it is an entity regulated and supervised in another Member State, assessment of soundness and financial stability can be based on the assessment made by its supervisor, which holds information regarding the profitability, liquidity and creditworthiness of the potential acquirer, as well as regarding resources available for the proposed acquisition;

b) if it is a financial entity regulated and supervised by a competent authority from a third state whose requirements are considered equivalent, assessment is made through cooperation with the respective authority.

SECTION 5

Compliance of the regulated entity with the prudential requirements

Art. 28. - (1) In assessing the capacity of the regulated entity to observe prudential requirements referred to in art. 18 letter d), the following shall be analyzed:

a) the capacity of the regulated entity to comply with the prudential indicators and governance system under the specific legislation applicable, at the time of acquisition and after the acquisition;

b) the strategy of the potential acquirer included in the business plan prepared for a period of at least 3 years, in case of acquiring a qualified position representing at least 50%;

c) the capacity of the potential acquirer to ensure for the regulated entity the financial support necessary for the activity currently carried out and for that expected to be carried out, supplementation of funds necessary in the event of problems related to liquidity or creditworthiness or to ensure compliance with the governance requirements.

(2) If the regulated entity will be part of a group as a result of the acquisition, the following shall be relevant:

a) the group structure to allow A.S.F. to exercise effective supervision, efficient exchange of information with the competent supervisory authorities of group's entities, including allocation of responsibilities between them;

b) the close links of the regulated entity with other natural or legal persons or laws, regulations or administrative measures from another state governing the natural or legal person with close links with the regulated entity or difficulties in applying them do not prevent A.S.F. from fulfilling its supervisory duties;

c) the business plan provided by the potential acquirer contains elements regarding the future organization and activity of the regulated entity, group description, assessment of financial implications of the proposed acquisition.

SECTION 6
Suspicions of money laundering or terrorist financing

Art. 29. - (1) The quality of a potential acquirer is not deemed appropriate and the proposed acquisition is rejected if:

- a) the potential acquirer is suspected or known, domestically or internationally, as being involved in money laundering operations or attempts of this kind, whether or not they are related to the proposed acquisition;
- b) the potential acquirer is suspected or known, domestically or internationally, as a terrorist or to finance terrorism;
- c) the potential acquirer is established in a country or territory deemed by the FATF - GAFI - the Financial Action Task Force as "uncooperative" or in a state or territory that has not done enough to meet the recommendations of FATF - GAF.

(2) The funds for equity participation must come from licit sources and the funding mechanism must be transparent in the sense that the origin of the source must be documented, and the funds to be transferred via credit institutions or financial institutions subject to supervision by competent authorities of Member States or third countries considered to have equivalent systems as those in the European Union to combat money laundering and terrorist financing.

CHAPTER IV
Approval procedure

Art. 30. - (1) Assessing the adequacy of the potential acquirer is made based on criteria set out in chapter III, taking into account the restrictions and incompatibilities provided for in the specific legislation of each regulated entity.

(2) The potential acquirer shall submit to A.S.F. the proposed acquisition including the information mentioned in appendices no. 1 and 2 or in the appendix no. 3, as well as documents mentioned in art. 31 or 33, as the case may be.

Art. 31. - (1) Natural and legal persons subject to provisions of this Regulation shall submit, through the regulated entity, as the case may be, an application for approval accompanied by the following documents and information:

- a) letter of intent, stating the shareholding targeted by acquisition or increase, which describes the responsibilities and work to be carried out within the company, and other information that the potential acquirer deems necessary to support proposed acquisition;
- b) draft contract for the acquisition or copy of the contract, if it was signed by the parties with suspensive clauses;
- c) information regarding the targeted share of voting rights or capital in the regulated entity, filled in in forms set out in appendices no. 1 and 2;
- d) if the proposed acquisition targets a control position in the regulated entity:
 - (i) the business plan including the information referred to in appendix no. 2, section 3, point 1;
 - (ii) the projected financial statements for the next 3 years including the information set out in appendix no. 2, section 3, point 2;
 - (iii) description of targeted changes regarding the corporate governance and organizational structure of the regulated entity, including the information referred to in appendix no. 2, section 3, point 3 and 4;
- e) supporting documents proving financing for the proposed acquisition;

f) documents referred to in art. 9 of Regulation no. 14/2015, in the event of application of provisions of art. 25;

g) the supporting document proving the payment of fee/tariff laid down in Regulation no. 16/2014.

(2) For legal persons subject to provisions of this Regulation, the following documents and information shall be submitted:

a) confirmation of company details issued by the Trade Registry Office or any other official document issued by the similar authority in the country of origin, proving at least the name, date of registration, persons legally empowered to represent the legal person and its object of activity;

b) copies of the last 3 audited individual annual financial statements accompanied by the detailed report of the financial auditor and, where appropriate, those in the scope of accounting consolidation the shareholder is part of, prepared in accordance with International Financial Reporting Standards or regulations consistent with European accounting directives and submitted to the competent bodies;

c) certificate of good standing or an equivalent document provided by the supervisory authority in the country of origin, in the case of potential acquirers from third states;

d) for persons discharging managerial responsibilities of the shareholder, documents referred to in par. (3).

(3) For natural persons subject to provisions of this Regulation, the following documents and information shall be submitted:

a) copy of identity card, which will be certified as original by the owner of the identity card;

c) curriculum vitae, dated and signed, in original, stating:

(i) the activity carried out so far;

(ii) name of the employer;

(iii) nature of the activity carried out;

(iv) the position held and other relevant information regarding the activity carried out;

(v) entities in which the natural person has held or holds administration and/or management responsibilities;

(vi) any other relevant information supporting the fulfillment of requirements regarding professional competence;

c) criminal and fiscal records, in original or authenticated copy.

(4) In the case of the potential acquirer, foreign legal person, the annual financial statements referred to in paragraph (2) letter b) shall be audited by a financial auditor, active member of a professional body recognized by the International Federation of Accountants (IFAC) and which has assimilated the Code of Ethics for Professional Accountants issued by it. A.S.F. may request documents proving the fulfillment of this requirement.

(5) For newly established legal persons, the financial statements referred to in paragraph (2) letter b) shall be replaced with estimates for the next 3 years of the balance sheet and profit and loss account, including the assumed planning used.

The paragraph was repealed by Regulation 3/2016 on 05/04/2016.

(6) Entities resulting from division/merger processes shall be exempt from the provisions of paragraph (5), in which case the last 3 annual financial statements shall be submitted, according to provisions of paragraph (2) letter b).

Art. 32. - (1) General information set out in Appendix no. 1 shall be provided by the potential acquirer regardless of the degree of involvement and the share of the capital or voting rights which it would hold in the regulated entity.

(2) Additional information set out in Appendix no. 2 shall be provided by the potential acquirer according to the shareholding to be held following the proposed acquisition.

(3) Simplified information mentioned in the appendix no. 3 shall be submitted by the potential acquirer subject to provisions of art. 33 paragraphs (3) and (4).

Art. 33. - (1) In the case of the potential acquirer, legal person holding the quality of regulated entity and in the case of natural persons approved in the management structure or to exercise a key position according to

Regulation no. 14/2015, the form referred to in appendices no. 1 and 2 or in the appendix no. 3 shall be submitted, as the case may be, filled in according to the shareholding level and supporting document referred to in art. 31 paragraph (1) letter e).

(2) If the potential acquirer has been assessed by A.S.F. in the last 2 years based on information provided according to appendices no. 1 and 2:

a) information changed shall be properly updated, taking into account the shareholding level and the influence to be exercised on the regulated entity after the acquisition;

b) an affidavit shall be submitted, certifying that information previously submitted and which hasn't been updated under letter a) is still valid.

(3) If the potential acquirer is an entity authorized and supervised in a Member State and fulfils the criteria mentioned in par. (4), the following documents shall be submitted:

a) appropriate information mentioned in the form from appendix no. 3;

b) for legal persons, the official document issued by the authority in the Member State, similar to the Trade Registry Office, proving at least the name, date of registration, persons legally empowered to represent the legal person and its object of activity;

c) for natural persons the documents referred to in art. 31 paragraph (3);

d) documents mentioned in art. 31 paragraph (1) letters c) -e).

(4) Provisions from paragraph (3) shall apply to acquisitions in regulated entity in the sector of financial instruments and investments that cumulatively fulfill the following criteria:

a) do not own assets of customers;

b) are not authorized to exercise the financial investment activities and services regarding:

(i) dealing on own account;

(ii) underwriting of financial instruments and/or placing of financial instruments on a firm commitment basis;

c) when administering individual customer portfolios the value of managed assets is less than EUR 500 million.

(5) Depending on the particular circumstances of the proposed acquisition, A.S.F. may explicitly exempt the potential acquirer from the provision of certain information, in situations such as:

a) if the A.S.F. is already in possession of information necessary or can obtain it from another supervisory authority;

b) the proposed acquisition will be made in an intra-group transaction within the group of an existing shareholder, without a real or substantial change of the direct or indirect holder of the regulated entity or influence that the group exercises in the regulated entity; in this case, adequate information shall be provided as to allow the assessment of the proposed acquisition, without being necessary a revaluation of the entire group;

c) the proposed acquisition is made through a public offering and the potential acquirer is not in possession of all information necessary to establish a full work plan; in this case the acquirer indicates to A.S.F. difficulties faced in obtaining the necessary information, specifying which aspects of the work plan could change in the next period, the absence of the required information not constituting in itself a reason to reject the proposed acquisition, if partial information provided is sufficient to assess the likely consequences of proposed acquisition for the regulated entity concerned and if the potential acquirer undertakes that it will provide the missing information as soon as possible after completion of the acquisition;

d) the qualifying holding will be held indirectly by one or several persons; in this case, assessment of the proposed acquisition can be made by assessing only the person with the quality of final indirect owner of the shareholding and persons who hold direct shares in the regulated entity, unless the A.S.F. deems necessary to assess one or several intermediary holders in the chain of equity holders.

Art. 34. - After analyzing the information submitted in accordance with art. 31, art. 33 and appendices no. 1-3, A.S.F. as may request additional information to clarify or detail the information already provided by applying *mutatis mutandis* the provisions of art. 16 paragraphs (5) - (7) or of art. 41, as the case may be.

Art. 35. - In the application of art. 16 paragraph (8), A.S.F. shall reject the application for approval of the proposed acquisition and of the significant shareholder if, based on analysis of documents and information received:

- a) has reasons to believe that there are elements that might question the reputation of the potential acquirer or concludes that it is unlikely that the potential acquirer has the capacity to face difficulties in the acquisition process or following completion of the acquisition;
- b) persons proposed by the potential acquirer under art. 25 do not fulfill the eligibility requirements set out in Regulation no. 14/2015;
- c) appreciates that the proposed acquisition does not allow the regulated entity to comply with prudential requirements or it does not allow the exercise of effective supervision;
- d) there are reasons to suspect a crime or an attempted money laundering or terrorist financing in connection with the proposed acquisition or increase of risk in this regard;
- e) legislative or administrative provisions of a third country, governing one or more natural or legal persons with which the regulated entity has close links, or difficulties relating to the implementation of those provisions prevent A.S.F. to exercise its supervision function effectively;
- f) there is an insufficient level of transparency regarding the funding mechanism or the entities involved;
- g) where it is proven that some information submitted by the potential acquirer is false or incomplete, being likely to lead to erroneous conclusions in the assessment process.

Art. 36. - In case of approval of the proposed acquisition and significant shareholders, after the completion of the acquisition/transaction, but no later than 10 days after the respective registrations, the regulated entity shall submit to A.S.F.:

- a) assignment agreements;
- b) an extract from the register of shareholders, stating changes occurred; the extract is certified by the legal representative of the regulated entity concerned;
- c) the new ownership structure.

CHAPTER V

Transitional and final provisions

Art. 37. - (1) Applications for approval of proposed acquisitions and significant shareholders unresolved after the entry into force of this Regulation shall be assessed for compliance with the conditions of this Regulation, based on complete documentation submitted in accordance with the rules in force at the time of application.

(2) Provisions from paragraph (1) shall not prevent A.S.F. from requesting other additional documents and information, if such information is not enough to substantiate the decision.

Art. 38. - (1) A.S.F. shall assess on an ongoing basis the quality of the significant shareholders of a regulated entity in terms of integrity and influence that they exert on the administration of the regulated entity and may impose penalty in accordance with the specific law applicable to the regulated entity, if:

- a) requirements on ensuring a prudent and fair management of the regulated entity are no longer fulfilled;
- b) acquisition of a qualifying holding did not meet the obligation of notification and approval during the assessment or without taking into account the opposition formulated by A.S.F.;
- c) significant shareholders no longer fulfill the criteria referred to in art. 18 and requirements of the legal provisions to approve them.

(2) Management decisions made after completion of the acquisition are not consistent with the business plan presented within the proposed acquisition approved must be notified to A.S.F.; if these administrative activities have a significant impact on the evaluation criteria set out in art. 18, considered in the assessment process, A.S.F. may order the penalties provided by the specific law applicable to the regulated entity.

(3) Annually, within 30 days from the end of the financial year, regulated entities shall submit to A.S.F. a statement on shareholders with qualifying holdings and shareholders referred to in art. 2 paragraph (4), including: the identity, domicile and citizenship, in the case of natural persons, nationality and headquarters in the case of legal persons, number and value of shares held, the shareholding and share of voting rights.

Art. 39. - (1) In all cases under this Regulation the potential acquirer declares on oath that all information provided is accurate, complete and truthful.

(2) Provisions from paragraph (1) do not affect the obligation of the potential acquirer to support with appropriate documentation the information provided or the right of A.S.F. to verify the claims made by the potential acquirer, by requesting documents proving that statements correspond to reality or by obtaining confirmation from other national or foreign authorities, as appropriate.

Art. 40. - (1) The documents and information provided for in this Regulation shall be sent in Romanian, and documents issued in another language shall be submitted in authenticated copy, together with a certified translation thereof, except criminal records or equivalent documents, which shall be submitted in the original, accompanied by a certified translation.

(2) The application for approval of the proposed acquisition and of the significant shareholder shall be accompanied by the documentation submitted in a single copy, filed and paginated, including the related list of contents.

(3) Provisions from paragraph (2) shall also apply to applications for approval of proposed acquisitions and significant shareholders belonging to a regulated entity authorized to carry out activities corresponding to several financial supervision sectors.

Art. 41. - A.S.F. shall decide on applications formulated by entities referred to in art. 2 paragraph (2) within 30 days from the receipt of information and complete documentation supporting the application for approval. If additional information or documents are necessary, the deadline of 30 days shall start running from the date of submission thereof, but cannot exceed 90 days from the date of receipt of the application.

Art. 42. - Regulated entities shall prepare the records referred to in art. 13 and art. 2 paragraph (4) regarding persons within the ownership structure with qualifying holdings within 90 days from the entry into force of this Regulation.

Art. 43. - (1) Upon the entry into force of this Regulation, the following shall be repealed:

a) art. 7 letter e) points 1-5, art. 15 paragraph (2), art. 16-19, art. 32 paragraph (1) letter d), art. 33 letter e) and art. 130-135, 147 paragraph (2) letter d), 149 letter e) and the Appendix no. 2 to the Regulation no. 13/2005 on the authorization and functioning of the central depository, the clearing houses and the central counterparties, approved by Order of the National Securities Commission no. 60/2005, published in the Official Gazette of Romania, Part I, no. 983 and 983 bis of 4 November 2005, with subsequent amendments and additions;

b) art. 11 paragraph (1), art. 12 paragraph (2), art. 13-17, art. 26 paragraph (2), points 5-10 of the Appendix no. 1 and Appendices no. 1A-1E, points 8 and 9 of the Appendix no. 2 and point 9 of the Appendix no. 3 to the Regulation no. 2/2006 on regulated markets and alternative trading systems, approved by Order of the National Securities Commission no. 15/2006, published in the Official Gazette of Romania, Part I, no. 228 of 14 March 2006, with further amendments;

c) art. 13 paragraph (1) letter c) and art. 15 paragraph (1) letter f) of the Regulation no. 32/2006 on financial investment services, approved by Order of the National Securities Commission no. 121/2006, published in the Official Gazette of Romania, Part I, no. 103 and 103 bis of 12 February 2007, with subsequent amendments and additions;

d) Regulation no. 2/2009 on procedural rules and criteria for the prudential assessment of acquisitions and increase of holdings in financial investment firms, approved by Order of the National Securities Commission no. 15/2009, published in the Official Gazette of Romania, Part I, no. 183 of 24 March 2009;

e) art. 15 paragraph (3), art. 24 paragraph (1) letter d) and art. 28 letter f) of the Regulation no. 3/2013 on the authorization and operation of central counterparties, issued in accordance with the provisions of Regulation

(EU) no. 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories, approved by Decision of the Financial Supervisory Authority's Board no. 28/2013, published in the Official Gazette of Romania, Part I, no. 552 of 30 August 2013;

f) art. 31 paragraph (1) letter c) and art. 33 paragraph (1) lit. d) of the Regulation of the Financial Supervisory Authority no. 9/2014 on the authorization and functioning of investment management companies, undertakings for collective investment in transferable securities and depositaries of undertakings for collective investment in transferable securities, published in the Official Gazette of Romania, Part I, no. 436 and 436 bis of 16 June 2014, with subsequent amendments;

g) Executive order of the National Securities Commission no. 12 of 7 June 2010*);

*) Executive order no. 12 of 7 June 2010 was not published in the Official Gazette of Romania, Part I.

h) any other contrary provisions.

(2) When the legislation refers to provisions repealed under par. (1), the reference shall be deemed as being made to the provisions of this Regulation.

Art. 44. - (1) This Regulation shall be published in the Official Gazette of Romania, Part I, and shall enter into force upon publication.

(2) Appendices no. 1, 2 and 3 are an integral part of this Regulation.

President of the Financial Supervisory Authority,
Mişu Negriţoiu

Bucharest, 31 March 2016.

No. 3.

APPENDIX No. 1

Form on information requested from equity participants of an entity regulated by A.S.F.
(within the form, the term "regulated entity" is properly replaced with the category of the regulated entity for which information is communicated)

SECTION 1

Information regarding the potential acquirer

SUBSECTION 1.1

Potential acquirer - natural person

1. Identification data:

a) name and surname:

b) date and place of birth:

c) citizenship:

d) domicile and residence; for people with a nationality other than Romanian, it shall be specified, if applicable, the date from which the acquirer/participant has taken up residence in Romania:

e) contact details:

2. Information regarding the acquirer/equity investor and regarding any entity managed or controlled by it in the last 10 years:

a) investigation or criminal proceedings conducted in the past or at present, regarding relevant administrative or civil actions or disciplinary actions (including the prohibition to occupy the position of director of an entity, bankruptcy, insolvency or similar proceedings); prohibitions or actions taken as a result of these investigations, proceedings or actions:

(i) acquirer

(ii) entity led or controlled by the acquirer/equity investor

b) investigations, measures, special supervision procedures or sanctions conducted in the past or at present by a supervisory authority:

(i) acquirer

(ii) entity led or controlled by the acquirer

c) rejection of an application for registration, authorization, acquiring the quality of member or license to carry out a trade activity, business or profession; revocation or deletion of registrations, authorizations, quality of member or license; exclusion from an activity or profession, ordered by a regulatory or governmental authority:

(i) acquirer

(ii) entity led or controlled by the acquirer/equity investor

d) release from a function or from a position of trust, fiduciary relationship or a similar position or waiver of such a position:

(i) acquirer

(ii) entity led or controlled by the acquirer

3. Information about evaluation in the last 10 years of the reputation and professional competence of the potential acquirer as shareholder or member running the activity of a regulated entity or of another financial and banking institution, already conducted by another supervisory authority; mentioning the identity of the respective authority and presenting evidence regarding the result of such evaluation:

4. Information about evaluation in the last 10 years by an authority outside the financial and banking field; mentioning the identity of the respective authority and presenting evidence regarding the result of such evaluation:

5. Information regarding the financial situation: details regarding sources of income, goods owned and obligations assumed, including pledges and other collateral given or received etc.; listing the documents annexed in support of the information provided:

6. Description of main activities of the potential acquirer

7. Financial information regarding the entities controlled or managed by the potential acquirer, including rating reports and public reports of the respective entities and, if available, of the potential acquirer:

8. Information regarding the description of financial 1 and non-financial 2 interests and relations of the potential acquirer with:

1 Financial interests include, for example, credit operations, guarantees, mortgage.

2 Non-financial interests include, for example, family relations or close links.

a) other shareholders of the regulated entity concerned:;

b) persons empowered to exercise voting rights in the regulated entity:;

c) persons with responsibilities of administration or management of the regulated entity;

d) the regulated entity itself and the group it belongs to:;

e) other interests or activities of the potential acquirer in conflict of interest with the regulated entity and possible solutions to remedy this situation:

SUBSECTION 1.2

Potential acquirer - legal person

3 In case of legal persons established in a jurisdiction that is not part of the European Economic Area, but without this criterion to be exhaustive, in order to properly understand how it is established, how their decisions are made and how they are financed, A.S.F. may request further information it deems necessary, depending on the legal form of establishment used.

1. Identification data:

- a) the registered and business names:
- b) legal form:
- c) address of the registered office and headquarters:
- d) contact details:
- e) the competent regulatory and supervisory authority:

2. Description of the activity carried out to date, detailing the aspects likely to support the fulfillment of the professional competence criterion:

3. Identity of persons ensuring the management of the legal person (indicating the name and surname, their position and if they have the right to represent the entity).

4. The identity of all persons who are the real beneficiaries of the legal person (name, date and place of birth, address, contact details, national identification number, if available):

- a) name or business name:
- c) residential address or address of the registered office and headquarters:
- c) contact details:
- d) national identification number:

5. Information regarding the potential acquirer, any entity managed or controlled by it, any shareholder exercising a significant influence over the potential acquirer regarding:

a) the subject matter of an investigation or criminal proceeding, conducted in the past or at present, of relevant administrative or civil actions or disciplinary actions (including the prohibition to occupy the position of director of an entity, bankruptcy, insolvency or similar proceedings); prohibitions or actions taken as a result of these investigations, proceedings or actions:

- (i) acquirer;
- (ii) entity led or controlled by the acquirer;
- (iii) shareholder exercising significant influence over the potential acquirer/equity investor;

b) subject matter of investigations, measures, special supervision procedures or sanctions conducted in the last 10 years or at present by a supervisory authority:

- (i) acquirer
- (ii) entity led or controlled by the acquirer;
- (iii) shareholder exercising significant influence over the potential acquirer;

c) rejection of an application for registration, authorization, acquiring the quality of member or license to carry out a trade activity, business or profession; information regarding the subject matter of withdrawal, revocation or deletion of registrations, authorizations, quality of member or license; information regarding the subject matter of exclusion from an activity or profession, ordered by a regulatory or governmental authority, mentioning the authority, entity or organization that rejected/withdrew/deleted etc.:

- (i) acquirer;
- (ii) entity led or controlled by the acquirer;
- (iii) shareholder exercising significant influence over the acquirer

6. Information regarding persons ensuring the management of the potential acquirer, legal person, referred to in point 5 letters a), b), c), shall be enclosed to this form, for each person mentioned in point , under the signature of persons concerned.

7. Information about the evaluation in the last 10 years of reputation of the potential acquirer or of reputation and professional competence of persons managing the activity of the potential acquirer; specifying the identity of the respective authority and presenting the documentation of such evaluation, if appropriate:

- a) the potential acquirer;
- b) persons managing the activity of the potential acquirer

8. Description of financial and non-financial interests and relations of the potential acquirer with:

- a) other shareholders of the regulated entity concerned;
- b) persons empowered to exercise voting rights in the regulated entity;
- c) persons with responsibilities of administration and/or management of the regulated entity concerned;
- d) the regulated entity itself and the group it belongs to;
- e) other interests or activities of the potential acquirer in conflict of interest with the regulated entity and possible solutions to remedy this situation:

9. Information regarding the potential acquirer regarding:

- a) ownership structure;
- b) identity of significant shareholders, stake held and the number of voting rights;
- c) stake held by the significant shareholders;
- d) number of voting rights related to each significant shareholder;
- e) agreements between shareholders

10. Information regarding the group the potential acquirer is part of (as subsidiary or as a parent company), if applicable; it shall be submitted as appendix to this form:

- a) the detailed organizational chart of the group;
- b) the intra-group administration and management rules;
- c) stakes and voting rights held by the significant shareholders;
- d) activities carried out by the group;
- e) institutions supervised within the group and the name of the supervisory authority in question;
- f) ratings for the potential acquirer and for other entities within the group, relevant information and documents regarding the global rating of the group.

SUBSECTION 1.3

The potential acquirers entity organized as trust 4 (in the case of an existing trust or which will result from the acquisition)

4 In case of trust established in a jurisdiction that is not part of the European Economic Area, but without this criterion to be exhaustive, in order to properly understand how it is established, how their decisions are made and how they are financed, A.S.F. may request further information it deems necessary.

- 1. Identity of asset managers (according to the terms of the articles of incorporation of the trust):
- 2. Asset managers' participation in revenue sharing:
- 3. Identity of real beneficiaries of the trust ownership:
- 4. Other information relevant for the purpose of assessment

SECTION 2
Information on the proposed acquisition

1. Information regarding the general objective pursued by participation to the share capital of the regulated entity (for example, strategic investment, portfolio investment)
2. Information regarding the number and type of shares, their value and level of equity participation and voting rights:

a) currently held by the acquirer:	a) to be held by the acquirer:
number and type of shares	number and type of shares
face value (RON)	face value (RON)
face value (EUR)	face value (EUR)
percentage of total share capital %	percentage of total share capital %
percentage of total voting rights %	percentage of total voting rights %
market value (RON)	market value (RON)
market value (EUR)	market value (EUR)

3. Information regarding the group of persons acting in concert with for acquiring a shareholding, if applicable:

- a) composition of the group of persons acting in concert;
- b) nature of the relationship between persons acting in concert;
- c) the contribution of others to financing;
- d) means of participation to financial agreements;
- e) future organizational arrangements

4. Information concerning the provisions of existing or expected agreements of the potential acquirer with other shareholders on the regulated entity

5. Information on determination of the price of acquisition and explanations regarding differences between it and the market price

SECTION 3
Information on financing the acquisition project

1. Information on the origin of funds used to obtain the shareholding:

- a) own financial resources and their origin, with supporting documents or affidavit, if it is not possible to provide supporting documents:;
- b) means and network used for the transfer of funds, availability of resources or financial agreements:
.;
- c) access to capital resources and financial markets, financing for buying shares, financial instruments to be issued:;
- d) information on the use of borrowed funds:

(i) name or business name of the entity granting the loan and the facilities granted, such as maturities, terms, pledges and other guarantees;

(ii) source of income used to repay the borrowed funds;

(iii) origin of borrowed funds if the situation granting the loan is not an entity in the financial and banking field supervised by a competent authority

2. Financial agreements with other shareholders of the regulated entity

3. Information regarding the assets of the potential acquirer or of the regulated entity to be sold in a short period to finance the acquisition:

a) conditions of sale;

b) price valuation;

c) details on the characteristics of the sale

The undersigned, knowing the provisions of art. 326 of the Criminal Code regarding false statements, I hereby declare that all information and documents submitted to A.S.F. are complete and accurate and there are no other relevant issues to facilitate evaluation of this claim by A.S.F.

Date

Name and surname

.

Position (if applicable)

.

Signature and stamp (if applicable)

.

(For legal entities, their legal/statutory representatives shall sign.)

APPENDIX No. 2

FORM

on additional information corresponding to the level of shareholding to be held

SECTION 1

Information regarding acquisitions targeting qualifying holding of less than 20%

1. Information regarding the strategy of the potential acquirer on the proposed acquisition:

a) period for which it plans to hold the shares after acquiring them;

b) intention to increase, diminish or maintain the shareholding over the next 3 years;

c) intention to participate as active minority shareholder;

d) financial capacity and availability to support the regulated entity with additional own funds to develop its activities in case of financial difficulties

2. Information regarding the intention of the acquirer regarding the regulated entity concerned and, especially, whether it plans to act as active minority shareholder and arguments underlying such an intention:

3. Information on the financial capacity and availability of the acquirer to support the regulated entity with additional own funds, if necessary to develop its activities or in case of financial difficulties:

SECTION 2

Information regarding acquisitions targeting qualifying holding of less from 20% 1 to 50%

1 Depending on the ownership structure of the regulated entity concerned, A.S.F. may request the information referred to in point II even for shareholdings of less than 20%, if the influence exercised is considered equivalent to the influence exercised by qualifying positions between 20% and 50%.

1. Information regarding the strategy of the potential acquirer on the proposed acquisition:

- a) period for which it plans to hold the shares after acquiring them:;
- b) intention to increase, diminish or maintain the shareholding over the next 3 years:;
- c) intention to participate as active minority shareholder;
- d) financial capacity and availability to support the regulated entity with additional own funds to develop its activities in case of financial difficulties

2. Information on the influence that the potential acquirer plans to exercise over the financial position of the regulated entity:

- a) dividend policy:;
- b) strategic development:;
- c) allocation of resources:;
- d) other details

3. Description of intentions and expectations of the acquirer in the medium term, regarding the regulated entity:

- a) the general objective regarding the proposed acquisition:;
- b) medium-term financial objectives regarding:
 - (i) Return on Equity:;
 - (ii) profitability index:;
 - (iii) earnings per share:;
 - (iv) other relevant financial indicators:;
- c) main changes regarding the directions of action regarding financial products, customers/consumers targeted:;
- d) reallocation of funds or resources that could impact the regulated entity concerned:;
- e) general modalities for the inclusion and integration of the regulated entity in the structure of acquirer's group 2, including the description of the main directions of action that should be pursued with the other entities within the group:;

2 For institutions supervised in the European Economic Area, information about the departments within the group structure to be affected by the transaction is sufficient.

- f) description of policies governing the intra-group relations:

SECTION 3

Information related to the acquisitions aimed at qualifying holdings that reach or exceed 50% or where the regulated entity concerned is becomes subsidiary of the potential acquirer³

3 If the acquisition is carried out by public offering and if the acquirer faces difficulties in getting the necessary information to prepare a complete business plan, the potential acquirer shall inform A.S.F. on such difficulties and mention the elements of the business plan which it is likely to change soon.

1. Information regarding the business plan including, in general terms, the main objectives and modalities to reach them:

- a) the general objective regarding the proposed acquisition:;

b) medium-term financial objectives regarding:

- (i) Return on Equity:;
- (ii) profitability index:;
- (iii) earnings per share:;
- (iv) other relevant financial indicators:;

c) main changes regarding the directions of action regarding financial products, customers/consumers targeted:;

d) reallocation of funds or resources that could impact the regulated entity concerned:;

e) general modalities for the inclusion and integration of the regulated entity in the structure of acquirer's group 4, including the description of the main directions of action that should be pursued with the other entities within the group:;

4 For institutions supervised in the European Economic Area, information about the departments within the group structure to be affected by the transaction is sufficient.

f) description of policies governing the intra-group relations:

2. The projected financial statements of the regulated entity, both individual and consolidated, if any, for the next three years, including:

- a) the projected balance sheet and profit and loss account;
- b) indicators of creditworthiness and liquidity;
- c) information regarding the risk exposure level (the risk indicators relevant for the regulated entity);
- d) projected intra-group operations and transactions.

3. Changes regarding the governance system and organizational structure of the regulated entity following the acquisition made, including impact on:

- a) the management structure and duties/responsibilities exercised by its members:;
- b) committees established:;
- c) policies established and procedures applied, including those regarding the outsourcing of functions or activities:;
- d) allocation of duties of key positions:;
- e) information technology systems:

4. Changes regarding the voting rights of shareholders

The undersigned, knowing the provisions of art. 326 of the Criminal Code regarding false statements, I hereby declare that all information and documents submitted to A.S.F. are complete and accurate and there are no other relevant issues to facilitate evaluation of this claim by A.S.F.

Date Name and surname
.
Position (if applicable)
.

Signature and stamp (if applicable)
.

(For legal entities, their legal/statutory representatives shall sign.)

FORM
on simplified information

SECTION 1
Potential acquirer - natural person

1. Information regarding the financial situation and power: details regarding sources of income, goods owners and obligations assumed, including pledges and other collateral given or received etc.; listing the documents annexed in support of the information provided:

2. Description of main activities of the potential acquirer:;

3. Financial information regarding the entities controlled or managed by the acquirer, including rating reports and public reports of the respective entities and, if available, of the participant itself:;

4. Information regarding the description of financial 1 and non-financial 2 interests and relations of the potential acquirer/participant with:

1 Financial interests include, for example, credit operations, guarantees, mortgage.

2 Non-financial interests include, for example, family relations or close links.

a) any other shareholders of the regulated entity concerned:;

b) any person empowered to exercise voting rights in the regulated entity:;

c) any person with responsibilities of administration and/or management of the regulated entity concerned;

d) the regulated entity itself and its group:;

e) any other interests or activities of the acquirer that would be in conflict with the regulated entity and possible solutions for such conflicts of interest:;

5. Name and address of the registered office of the regulated entity for which the information is communicated:;

6. Information regarding the general objective pursued by participation to the share capital of the regulated entity (for example, strategic investment, portfolio investment).;

7. Information regarding the number and type of shares, their value and level of equity participation of the regulated entity and the voting rights:

a) currently held by the acquirer:	a) to be held by the acquirer:
number and type of shares	number and type of shares
face value (RON) . .	face value (RON) . .
face value (EUR) . . .	face value (EUR) . . .
percentage of total share capital %	percentage of total share capital %

percentage of total voting rights . . . %	percentage of total voting rights . . . %
market value (RON) . . .	market value (RON) . . .
market value (EUR) . . .	market value (EUR) . . .

8. Information regarding the group of persons with which it acts in concert to gain a shareholding, if applicable; specifying the composition of the group of persons acting in concert, the nature of relations existing between its members, as well as information regarding the contribution of other persons to financing, means of participation in financial arrangements, future organizational arrangements etc.

9. Information concerning the provisions of existing or expected agreements of the acquirer with other shareholders regarding the regulated entity.

10. Information regarding the price of the proposed acquisition and regarding the determination of the respective price; presenting details if there is a difference between the acquisition price and the market value of shares to be acquired:

11. Information on the origin of funds used to obtain the shareholding in the regulated entity, respectively:

a) details on the use of own financial resources and their origin, with supporting documents or affidavit, if it is not possible to provide supporting documents:

b) information regarding the means and network used for the transfer of funds (availability of resources to be used for the acquisition, financial agreements etc.):

c) details regarding access to capital resources and financial markets and financing for buying shares (financial instruments to be issued):

d) information on the use of borrowed funds, including:

(i) name/business name of the entity granting the loan, the facilities granted (maturities, terms, pledges and other guarantees):

(ii) information regarding the source of income used to repay the borrowed funds;

(iii) origin of borrowed funds if the situation granting the loan is not an entity in the financial and banking field supervised by a competent authority.

12. Information regarding any financial agreements with other shareholders of the regulated entity:

13. Information regarding the goods/assets of the potential acquirer or of the regulated entity to be sold in a short period to finance the acquisition (conditions of sale, price evaluation and details regarding its characteristics):

14. Information regarding the strategy of the potential acquirer on the proposed acquisition according to appendix no. 2 section 1, in case of shareholdings of up to 20%:

15. Information referred to in appendix no. 2 section 2, in case of shareholdings reaching or exceeding 20%:

SECTION 2

Potential acquirer - legal person

1. Identity of the acquirer:

a) registered name and business name, legal form and address of the registered office, contact details (telephone number, e-mail):;

b) description of the activities carried out to date, detailing the aspects likely to support the fulfillment of the professional competence criterion:;

c) identity of persons ensuring the management of the legal person (indicating the name and surname, their position and if they have the right to represent the entity).;

- d) identity of all persons who are the real beneficiaries of the legal person (name, date and place of birth, address, contact details, national identification number, if available): ;
- e) the competent regulatory and supervisory authority.
2. In case of potential acquirers organized as trust:
- a) information regarding the identity of all persons to manage the assets (administrators) in accordance with the terms of the documents for the establishment of the trust and their participation to the distribution of proceeds: ;
- b) information regarding the identity of all persons who are real beneficiaries of the trust ownership:
.
3. Information regarding the description of financial and non-financial interests and relations of the potential acquirer with:
- a) any other shareholders of the regulated entity concerned: ;
- b) any person empowered to exercise voting rights in the regulated entity: ;
- c) any person with responsibilities of administration and/or management of the regulated entity concerned ;
- d) the regulated entity itself and its group: ;
- e) any other interests or activities of the acquirer that would be in conflict with the regulated entity and possible solutions for such conflicts of interest:
4. Information regarding the ownership structure of the acquirer, mentioning the identity of all significant shareholders and the percentage held by them in the share capital and voting rights, and information regarding agreements between shareholders:
5. Information regarding the group the acquirer is part of (as subsidiary or as a parent company), if applicable:
- a) to be presented in an appendix to this form a detailed organizational chart of the entire corporate structure, including the intra-group administration and management rules and information regarding the shareholding and voting rights of relevant shareholders and activities currently carried out by the group.
. ;
- e) institutions supervised within the group and the name of the supervisory authority in question:
. ;
- c) ratings, relevant information and documents regarding the credit rating of the acquirer/participant and the global rating of the group, if any:
6. Name and address of the registered office of the regulated entity for which the information is communicated:
7. Information regarding the general objective pursued by participation to the share capital of the regulated entity (for example, strategic investment, portfolio investment):
8. Information regarding the number and type of shares, their value and level of equity participation of the regulated entity and the voting rights:

a) currently held by the acquirer/participant:	a) to be held by the acquirer/participant:
number and type of shares. . .	number and type of shares. . .
face value (RON). .	face value (RON). .
face value (EUR). . .	face value (EUR). . .
percentage of total share capital. . . %	percentage of total share capital. . . %
percentage of total voting rights . . . %	percentage of total voting rights . . . %
market value (RON) . . .	market value (RON) . . .

market value (EUR) . . .	market value (EUR) . . .
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9. Information regarding the group of persons with which it acts in concert to gain a shareholding, if applicable; specifying the composition of the group of persons acting in concert, the nature of relations existing between its members, as well as information regarding the contribution of other persons to financing, means of participation in financial arrangements, future organizational arrangements etc.

10. Information concerning the provisions of existing or expected agreements of the acquirer with other shareholders regarding the regulated entity.

11. Information regarding the price of the proposed acquisition and regarding the determination of the respective price; presenting details if there is a difference between the acquisition price and the market value of shares to be acquired:

12. Information on the origin of funds used to obtain the shareholding in the regulated entity, respectively:
a) details on the use of own financial resources and their origin, with supporting documents or affidavit, if it is not possible to provide supporting documents: ;

b) means and network used for the transfer of funds (availability of resources to be used for the acquisition, financial agreements etc.): ;

c) access to capital resources and financial markets and financing for buying shares (financial instruments to be issued): ;

d) use of borrowed funds, including:

(i) name/business name of the entity granting the loan, the facilities granted (maturities, terms, pledges and other guarantees): ;

(ii) information regarding the source of income used to repay the borrowed funds ;

(iii) origin of borrowed funds if the situation granting the loan is not an entity in the financial and banking field supervised by a competent authority.

13. Information regarding any financial agreements with other shareholders of the regulated entity:
. . .

14. Information regarding the goods/assets of the potential acquirer or of the regulated entity to be sold in a short period to finance the acquisition (conditions of sale, price evaluation and details regarding its characteristics):

15. Information regarding the strategy of the potential acquirer on the proposed acquisition according to appendix no. 2 section 1, in case of shareholdings of up to 20%:

16. Information referred to in appendix no. 2 section 2 in case of shareholdings reaching or exceeding 20%:

The undersigned, knowing the provisions of art. 326 of the Criminal Code regarding false statements, I hereby declare that all information and documents submitted to A.S.F. are complete and accurate and there are no other relevant issues to facilitate evaluation of this claim by A.S.F.

Date Name and surname
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