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From:	Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director
date of receipt:	13 July 2022
To:	General Secretariat of the Council

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Subject:	ANNEX to the Commission Delegated Regulation (EU) .../.... supplementing Regulation (EU) 2020/1503 of the European Parliament and of the Council with regard to regulatory technical standards for the key investment information sheet
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Delegations will find attached document C(2022) 4844 final.

Encl.: C(2022) 4844 final



Brussels, 13.7.2022
C(2022) 4844 final

ANNEX

ANNEX

to the

Commission Delegated Regulation (EU) .../....

**supplementing Regulation (EU) 2020/1503 of the European Parliament and of the
Council with regard to regulatory technical standards for the key investment
information sheet**

ANNEX

KEY INVESTMENT INFORMATION SHEET MODEL

This crowdfunding offer has been neither verified nor approved by [competent authorities – insert full denomination of competent authority/ies] or the European Securities and Markets Authority (ESMA).

The appropriateness of your experience and knowledge have not necessarily been assessed before you were granted access to this investment.

By making this investment, you assume full risk of taking this investment, including the risk of partial or entire loss of the money invested.

Risk warning

Investment in this crowdfunding project entails risks, including the risk of partial or entire loss of the money invested. Your investment is not covered by the deposit guarantee schemes established in accordance with Directive 2014/49/EU of the European Parliament and of the Council.¹ Nor is your investment covered by the investor compensation schemes established in accordance with Directive 97/9/EC of the European Parliament and of the Council.²

You may not receive any return on your investment.

This is not a savings product and we advise you not to invest more than 10 % of your net worth in crowdfunding projects.

You may not be able to sell the investment instruments when you wish. If you are able to sell them, you may nonetheless incur losses.

¹ Directive 2014/49/EU of the European Parliament and of the Council of 16 April 2014 on deposit guarantee schemes, (OJ L 173, 12.6.2014, p. 149).

² Directive 97/9/EC of the European Parliament and of the Council of 3 March 1997 on investor-compensation schemes, (OJ L 84, 26.3.1997, p. 22).

Pre-contractual reflection period for non-sophisticated investors

Non-sophisticated investors benefit from a reflection period during which they can, at any time, revoke their offer to invest or expression of interest in the crowdfunding offer without giving a reason and without incurring a penalty. The reflection period starts at the moment the prospective non-sophisticated investor makes an offer to invest or signals its expression of interest and expires after four calendar days therefrom.

[Insert here the modalities whereby non-sophisticated investors can exercise their revocation right during the reflection period, together with information on this process and its consequences.]

Overview of the crowdfunding offer

Offer identifier	Identifier of the offer as set out in Article 3
Project owner and project name	
Type of offer and instrument type	
Target amount	Target amount and currency of the crowdfunding offer, including the equivalent value in euro and the date of the exchange rate, if the crowdfunding offer provides for a non-euro currency.
Deadline	The date on which the offer will be closed for prospective investors.

Part A: Information about the project owner(s) and the crowdfunding project

(a)	<p>Project owner and crowdfunding project¹</p> <p><i>[Complete this Section by including the information indicated below, as applicable]</i></p> <p>Identity: Legal name of the project owner, country of incorporation/registration and registration number.</p> <p>Legal form: Legal form.</p> <p>Contact details: Website, address of the registered office, email and phone number.</p> <p>Ownership: The date of the last change of ownership and a brief description of the ownership structure of the project owner and, where relevant, the project. This information may be presented as a diagram.²</p> <p>Management: A brief description of the project owner's management bodies. Where available and deemed appropriate, a hyperlink to the <i>curricula vitae</i> of the members of the management bodies may be included.</p>
(b)	<p>Responsibility for the information provided in this key investment information sheet</p> <p>“The project owner declares that, to the best of its knowledge, no information has been omitted or is materially misleading or inaccurate. The project owner is responsible for the preparation of this key investment information sheet.”</p> <p><i>[Complete this Section by listing the natural and legal persons who are responsible for the information given in the key investment information sheet in accordance with national law. In the case of natural persons, such as the members of the project owner's administrative, management or supervisory bodies, indicate their names and functions. In the case of legal persons, indicate their names and registered offices.]</i></p>

¹ Without prejudice to the obligation to provide the information set out in this Section, the project owner may also include its logo in this Section.

² In case for example the project owner is part of a group, the diagram could display the structure of the group and the project owner's position within the group.

	<p>“The declaration of [each of] the above person[s] with respect to their responsibility for the information given in this key investment information sheet pursuant to Article 23(9) of Regulation (EU) 2020/1503 of the European Parliament and of the Council*³ is included as [Annex [A] hereto⁴”.</p>
(c)	<p>Principal activities of the project owner; products or services offered by the project owner</p> <p>A short description of the nature of the project owner's current principal activities and business achievements, including, where relevant, a brief presentation of its strategy and added value created.</p>
(d)	<p>Hyperlink to the most recent financial statements of the project owner</p> <p>To the extent available, a hyperlink to the most recent financial statements of the project owner shall be included.</p> <p>If the financial statements have been audited, a hyperlink to the relevant audit report(s) may also be included.</p> <p>If the most recent financial statements are not available, this fact shall be explicitly mentioned. The reasons for such unavailability may be specified. Only where the most recent financial statements are not available, a hyperlink to the up-to-date balance sheet of the project owner may be included instead, if available.</p> <p>Where there is a special purpose vehicle interposed between the project owner and the investors, the information above may be provided also with regard to the SPV.</p>
(e)	<p>Key annual financial figures and ratios for the project owner for the last three years</p> <p>Presentation of the key annual financial figures and ratios such as:</p> <ul style="list-style-type: none"> (i) turnover; (ii) annual net profit; (iii) total assets; (iv) gross, operating and net profit margins; (v) net debt; debt to equity ratio; (vi) acid test ratio; debt service cover ratio; (vii) earnings before interest, taxes, depreciation and amortisation (EBITDA); (viii) return on equity;

³ Regulation (EU) 2020/1503 of the European Parliament and of the Council of 7 October 2020 on European crowdfunding service providers for business and amending Regulation (EU) 2017/1129 and Directive (EU) 2019/1937, (OJ L 347, 20.10.2020, p. 1).

⁴ The declaration of each responsible person shall conform to Article 23(9) of Regulation (EU) 2020/1503.

	(ix) ratio of intangible fixed assets to total assets.
(f)	Description of the crowdfunding project, including its purpose and main features A description of the crowdfunding project, including its purpose and main features and the intended use of the funds raised.

Part B: Main features of the crowdfunding process and conditions for the [capital raising] or [funds borrowing]

(a)	Minimum [target capital to be raised] or [target funds to be borrowed] in a single crowdfunding offer			
	[Amount and currency]			
	The number of offers (public or non-public) that have already been completed by the project owner or crowdfunding provider for this crowdfunding project			
	Type of offer and instruments offered	Completion date	Amount [raised / borrowed] and target amount (including the euro-equivalent value and the date of the exchange rate in case of non-euro currencies)	Other relevant information, if any
(b)	Deadline for reaching the [target capital to be raised] or [target funds to be borrowed]: [The date on which the offer will be closed for potential investors.]			
(c)	Information on the consequences if the [target capital is not raised] or [target funds are not borrowed] by the deadline Information on the consequences relating to the crowdfunding process and the investors' participations, if the crowdfunding offer does not reach the targeted minimum amount, including: (i) whether the crowdfunding offer and the investors' commitments would be cancelled; (ii) whether any amounts that were paid by investors would be refunded and, if so, under what modalities and when; (iii) whether investors would incur any fees or expenses as a result of the offer not reaching the targeted amount.			
(d)	The maximum offer amount when different from the [target capital] or [target funds] referred to in point (a) Maximum offer amount and currency (including the euro-equivalent value in case of a non-euro currency), if such amount is different from the [target capital] or [target funds].			
(e)	Amount of own funds committed to the crowdfunding project by the project owner An indication of whether major shareholders or members of the project owner's			

	management, supervisory or administrative bodies have invested in, subscribed for or committed to invest in or subscribe for the offered instruments, and the amount thereof, including as a percentage with respect to the offer's target amount.
(f)	<p>Change of the composition of the project owner's capital or loans related to the crowdfunding offer</p> <p>A description of the changes that will result in the composition of the project owner's capital and indebtedness as a consequence of the crowdfunding offer.</p>

Part C: Risk factors

Presentation of the main risks

Complete this Section by describing the main risks associated with the crowdfunding project according to the types of main risks identified below.

The following list of the types of main risk is non-exhaustive. Any other main risk which is relevant to the crowdfunding project, the crowdfunding offer, the project owner, the transferable securities, and the admitted instruments for crowdfunding purposes or loans shall also be described in this Part.

Type 1 – Project risk

Risks that are inherent to the project and that may cause the project to fail. Those risks may concern, but are not limited to:

- (i) project dependencies, such as funding, legal, licensing, copyrights;
- (ii) occurrence of adverse scenarios with a negative impact;
- (iii) technological development of competitors or competitive products;
- (iv) risks deriving from the project owner.

Type 2 – Sector risk

Risks that are inherent to the specific sector. Such risks may be caused, for instance, by a change in the macro-economic circumstances, a decrease of demand in the sector in which the crowdfunding project operates and dependencies on other sectors.

The sector of the project shall be described by using the classification referred to in Article 2(1), point (a), of Regulation (EC) No 1893/2006 of the European Parliament and of the Council⁵.

Type 3 - Risk of default

The risk that a project or the project owner may be subject to bankruptcy or other insolvency proceedings, and other occurrences concerning the project or the project owner which may result in the loss of the investment for the investors.

Such risks may be caused by a variety of factors, including:

- (a) (severe) change in macro-economic circumstances;
- (b) mismanagement;
- (c) lack of experience;

⁵ Regulation (EC) No 1893/2006 of the European Parliament and of the Council of 20 December 2006 establishing the statistical classification of economic activities NACE Revision 2 and amending Council Regulation (EEC) No 3037/90 as well as certain EC Regulations on specific statistical domains, OJ L 393, 30.12.2006, p. 1.

- (d) fraud;
- (e) the financing not fitting the business purpose;
- (f) unsuccessful product launch;
- (g) lack of cash flow.

Type 4 - Risk of lower, delayed or no returns

The risk that the return is lower than expected, delayed or that the project defaults on capital or interest payments.

Type 5 - Risk of a platform failure

The risk that the crowdfunding platform is temporarily or permanently not able to provide its services.

Type 6 - Risk of illiquidity of the investment

The risk that investors cannot sell their investment.

Type 7 – Other risks

Risks that are, *inter alia*, out of the project owner’s control, such as political and regulatory risks.

Part D: Information related to the offer of transferable securities and admitted instruments for crowdfunding purposes

(a)	<p>Total amount and type of [transferable securities] or [admitted instruments for crowdfunding purposes] to be offered</p> <p>The following information shall be specified:</p> <ul style="list-style-type: none"> (i) a description of the type and class of instruments to be offered; (ii) where applicable, the number of instruments to be offered, their denomination, currency and terms; (iii) the relative seniority of the instruments in the issuer’s capital structure in the event of insolvency, including, where applicable, information on the ranking and subordination of the securities.
(b)	<p>Subscription price</p> <p>The price at which the [transferable securities] or [admitted instruments for crowdfunding purposes] will be offered. Where applicable, this Section shall also indicate the minimum subscription amount per investor.</p>
(c)	<p>Whether oversubscriptions are accepted and how they are allocated</p>
(d)	<p>Terms of subscription and payment</p> <p>This Section shall include a clear description of the terms of subscription, including the transfer of the subscription price, and of the payment process, including timing and method.</p> <p>This Section may also include a hyperlink to a description of the subscription process and instructions.</p>
(e)	<p>Custody and delivery of [transferable securities] or [admitted instruments for</p>

	<p>crowdfunding purposes] to investors</p> <p>This Section shall specify the delivery date (or where no such firm commitment can be made, the latest possible delivery date) and the process of delivery of the relevant instruments (including any collateral to the instruments), and indicate the name and contact details (including e-mail) of the issuer or its agent.</p> <p>Where custody services are not provided by the crowdfunding service provider, a clear statement to that effect shall be made.</p> <p>This Section shall include the identity, registration number and contact details of the custodian. It shall be mentioned whether or not any fee shall be due by the investor to the custodian.</p>
(f)	<p>Information relating to the guarantee or collateral by which the investment is secured (where applicable)</p> <p>(i) Is the [guarantor] or [collateral provider] a legal person?</p> <p>(ii) The identity, legal form and contact details of the [guarantor] or [collateral provider]</p> <p>(iii) Information on the nature and the terms of the [guarantee] or [collateral] (including its ranking)</p>
(g)	<p>Information relating to a firm commitment to buy back the [transferable securities] or [admitted instruments for crowdfunding purposes] (where applicable)</p> <p>Description of the buy-back arrangement</p> <p>This Section shall provide clear and concise information with respect to any buy-back commitment. Where appropriate, more detailed information may be provided by way of a hyperlink.</p> <p>Time period for the buy-back</p> <p>Description of the conditions to participate in the buy-back (including any applicable deadlines).</p>
(h)	<p>Interest rate and maturity information</p> <p>This Section shall apply to non-equity transferable securities (such as bonds) or hybrid instruments (such as bonds convertible to shares).</p> <p>Nominal interest rate:</p> <p>The nominal interest rate per year shall be clearly stated. Furthermore, this Section shall include a brief explanation of the method used for its calculation or a hyperlink to the website of the crowdfunding service provider including such explanation.</p> <p>The annual interest rate shall be disclosed with two decimals of precision and in the following preferred format:</p>

	<p>[●] % per year (calculated by way of the [include the applied calculation method]); or where the interest rate is variable, brief information about the key factors determining the interest rate (e.g. Euro Interbank Offered Rate, EURIBOR, plus X %) and its calculation.</p> <p>Date from which the interest becomes payable:</p> <p>Due dates for interest payments:</p> <p>Maturity date (including intermediate repayments where applicable):</p> <p>Applicable yield:</p> <p>The yield shall be calculated as a yearly rate and in line with the method used for the calculation of the annual nominal interest rate and provided with two decimals of precision. The key assumptions on which the yield calculation is based shall also be briefly disclosed.</p>
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Part E: Information on special purpose vehicles (SPV)

(a)	<p>Is an SPV interposed between the project owner and the investor?</p> <p>Yes/no</p>
(b)	<p>Contact details of the SPV</p> <p>If the answer to the above question is ‘yes’, this Section shall specify the SPV’s identity, legal form and registered office.</p>

Part F: Investor rights

[In accordance with Article 23(7) of Regulation (EU) 2020/1503, in the case of admitted instruments for crowdfunding purposes, where the information required under Part F of this Annex exceeds one side of A4-sized paper format if printed, the remainder shall be produced in an annex attached to the key investment information sheet.]

(a)	<p>Key rights attached to the [transferable securities] or [admitted instruments for crowdfunding purposes]</p> <p>A short description of the key rights attached to the instruments, grouped by types, such as:</p> <ul style="list-style-type: none"> (i) dividend rights; (ii) voting rights; (iii) information access rights; (iv) pre-emption rights in offers for subscription of instruments of the same class; (v) right to share in the issuer’s profits; (vi) right to share in any surplus in the event of liquidation; (vii) redemption rights; (viii) conversion rights; (ix) joint exit rights in the event of the occurrence of an operative event (i.e. change of control, tag-along rights).
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	A hyperlink to the project owner’s constitutional documents or any other relevant legal documents, together with references to the relevant articles or section numbers, may be included.
(b) and (c)	<p>Restrictions to which the [transferable securities] or [admitted instruments for crowdfunding purposes] are subject and restrictions on the transferring of the instruments.</p> <p>This Section shall include a description of any shareholders’ agreement or other arrangement preventing or in any case limiting the transferability of the instruments, such as clauses restricting the right to sell the instruments (for example approval clauses or temporary inalienability clauses).</p> <p>This Section shall also include a description of other restrictions to which the instruments are subject, such as any forced disposal clause (for example exclusion clauses, repurchase clauses, joint exit obligation in the event of a change of control, drag-along rights), specifying in particular the financial conditions of such disposals.</p>
(d)	Opportunities for the investor to exit the investment
(e)	<p>For equity instruments, distribution of capital and voting rights before and after the capital increase resulting from the offer (assuming all the [transferable securities] or [admitted instruments for crowdfunding purposes] will be subscribed)</p> <p>When presenting the distribution of capital and voting rights before and after the capital increase resulting from the offer, the following information shall be included for each class of share capital:</p> <ul style="list-style-type: none"> (i) the total of the issuer’s authorised share capital; (ii) the number of shares issued and fully paid and issued but not fully paid; and (iii) the par value per share, or that the shares have no par value. <p>If there are shares not representing capital, state the number and main characteristics of such shares.</p>

Part G: Disclosures related to loans

(a)	The nature, duration and other material terms of the loan
(b)	<p>The applicable interest rates or, where applicable, other compensation to the investor</p> <p>The applicable interest rates per year shall be clearly stated. Furthermore, this Section shall include a brief explanation of the method used for their calculation or a link to the website of the crowdfunding service provider including such explanation.</p> <p>The annual interest rates shall be disclosed with two decimals of precision and in the following preferred format:</p> <p>[●] % per year (calculated by way of the [include the applied calculation method]); or where the interest rate is variable, brief information about the key factors determining the interest rate (e.g. EURIBOR plus X %) and its calculation.</p>
(c)	Risk mitigation measures, including the existence of collateral providers or guarantors or other types of guarantees

(d)	<p>The schedule for the repayment of the principal and payment of interest</p> <p>Where advance repayment is permitted, on the initiative of the project owner or of the lender, it shall be described, stipulating repayment terms and conditions.</p>
(e)	<p>Any default on credit agreements by the project owner within the past five years</p> <p><i>[For the purposes of this Section, the definition of default as set out in Article 1 of Commission Delegated Regulation (EU) XX/XX [OP:C(2022) 4830]</i></p>
(f)	<p>The servicing of the loan (including in situations where the project owner does not meet its obligations)</p> <p>This Section shall specify the entity (including its legal name, registration number and place of registration, registered office and contact details) responsible for the servicing of the loan and provide brief information with respect to its servicing policy, which shall include information about the procedures undertaken in case that the obligations under the loan are not met. A hyperlink may be provided to the relevant page or document containing the detailed servicing policy.</p>

Part H: Fees, information and legal redress

(a)	<p>Fees and costs incurred by the investor relating to the investment (including administrative costs resulting from the sale of admitted instruments for crowdfunding purposes)</p> <p>This Section shall contain a presentation in table-format of all direct and indirect fees, commissions, costs and charges incurred by the investor in relation to their investment and exit from the investment.</p> <p>Where euro (or other applicable currency) amounts and percentage values are stated, they shall be calculated for a hypothetical investment of EUR 10 000 and on an annual basis.</p>			
	<p>Fees, Charges and other Costs</p>	<p>in Euro (or other applicable currency)</p>	<p>as percentage of total investment amount</p>	<p>Examples (non-exhaustive)</p>
	<p>One-off</p>	<p>Entry costs (please provide details)</p>	<p>Euro...]</p>	<p>[...]%</p>
				<p>The costs the investor pays when entering the investment. Those costs comprise of costs relating to the investor's subscription (such as notary fees, up-front-loads, and stamp duties), and costs relating to the underlying asset (such as finder's and agent fees, notary fees, real estate and other acquisition taxes)</p>

		Exit costs (please provide details)	Euro[...]	[...]%	The costs the investor pays when exiting the investment at maturity (such as finder's and agent fees, notary fees, real estate and other acquisition taxes, winding-down expenses)
	Ongoing		Euro[...]	[...]%	The costs the investor incurs during the holding period of the investment (such as custody and management fees, audit and legal fees, ongoing taxes relating to your investment or the underlying asset)
	Incidental	Performance fees/ Carried interest (please provide details)	Euro[...]	[...]%	Fees the investor pays to the project owner(s) if certain success parameters are met
		Other incidental fees (please provide details)	Euro[...]	[...]%	Finder's fees, refinancing fees, transaction fees (to the extent not already included in the one-off fees)
(b)	Where and how additional information about the crowdfunding project, the project owner [and, where applicable, the SPV] can be obtained free of charge				
(c)	<p>How and to whom the investor may address a complaint about the investment or about the conduct of the project owner or the crowdfunding service provider</p> <p>The following information shall be provided in summary:</p> <ul style="list-style-type: none"> (i) steps to be followed for filing a complaint about the investment or about the conduct of the project owner or the crowdfunding service provider; (ii) a link to the relevant webpage and form for such complaints; (iii) an up-to-date website or email address to which such complaints may be submitted. 				