



POLICY MEMORANDUM ON THE SALE OR TRANSFER OF SHARES IN A SUPERVISED CREDIT INSTITUTION

I. PRIOR APPROVAL

Sale or transfer of shares in a supervised credit institution is subject to the prior written approval of the Bank, pursuant to article 23, paragraph 2 of the National Ordinance on the Supervision of Banking and Credit Institutions of 1994. The management of the credit institution should inform the bank of the intention to sell or transfer the shares by the present shareholders to others by means of a letter, detailing the reasons why the share are being sold or transferred, and the consideration paid per share by the new shareholder(s). The Bank must also review the antecedents and plans of the prospective shareholders.

II. INFORMATION REQUIREMENTS

In order to evaluate prospective shareholders reference is made to the information required based on article 3, paragraph 2d, relative to the identity, the financial position and the background of the shareholder.

III. TYPES OF SHAREHOLDERS

There are three types of shareholders.

1. **New shareholders being natural persons**

Natural persons may individually not hold more than 5% of the outstanding stock of a bank and more than 25% in the aggregate for all natural persons, unless a dispensation is granted by the Bank.

If individuals are to become the new shareholders, these individuals should submit a Personal Questionnaire to the Bank, a certificate of good conduct and bank references from banks with which the individual has held a long standing banking relationship.

2. **New shareholders being non-bank companies or institutions**

If non-bank companies or institutions are to become shareholders of a credit institution, these companies or institutions should submit to the Bank:

1. the personal questionnaires of their Managing Directors;
2. the audited financial statements for the last three years of the company/institution;
3. the Articles of Association and
4. a group chart containing an outline of all the companies and institutions in the group, including the ultimate parent company and ultimate beneficial owners.

3. **New shareholders being a supervised credit institution**

If supervised institutions are to become the new shareholders, such a credit institution must submit to the Bank a statement of the Home Country Supervisory Authority indicating that it has no objections against the investment by the institution under its supervision in a locally established bank and that it exercises adequate consolidated supervision on the credit institution. In addition, the audited financial statements of the last three years and a group chart containing the same information as indicated above under 2d. should be submitted to the Bank.

IV. OTHER INFORMATION

The Bank may request additional information from the new shareholders if the submitted information is deemed insufficient to form an adequate opinion on the identity, the financial position and the background of the prospective shareholders.