



**THE FINANCIAL SUPERVISORY AUTHORITY
THE BOARD**

REGULATION

**ON THE AUTHORIZATION OF INDIVIDUALS TO SALE UNITS/SHARES OF COLLECTIVE
INVESTMENT UNDERTAKINGS WITH PUBLIC OFFERING**

*Approved by Board Decision No. 69, dated 26.05.2011
Amended by Board Decision No. 135, dated 26.11.2018*

**Article 1
Object**

Object of this regulation is the determination of the terms, method of authorization for the sale of units/shares of the collective investment undertaking with public offering, regarding the individuals employed by an agent of the Management Company, as well as agent individuals, who act on behalf of the management company under a specific contract.

**Article 2
Legal basis**

This regulation is drafted on the basis of Article 100, paragraph 3 of Law no. 10198, dated 10.12.2009 on "Collective Investment Undertakings" (hereinafter "the Law"). The terms used in this regulation have the same meaning provided by Law.

**Article 3
Requirements for individuals to sell units/shares**

Individuals employed by an agent of the management company, as well as the individual agents, who act on behalf of the management company pursuant to a specific contract shall meet the following terms:

- a. Have at least a high school diploma
- b. Have not been convicted for any criminal offence and not have any criminal proceeding under process.

Employed individuals of a management company agent as well as individual agents who act on behalf of the management company under a particular contract, shall have the necessary knowledge on the basic characteristics of the collective investment undertaking on behalf of which they sell units/shares, as well as knowledge of all the risks associated with investment in a collective investment undertaking.

Article 4
Sale of units/shares by individual agent

The method of selling units/shares of collective investment undertakings with public offering by the individual agent, who has a separate contract with the management company, is carried out through the bank account of the collective investment undertaking rather than in cash.

Article 5
Obligations of the management company

1. Before signing a contract with the agent or individual agent, the management company shall ensure that it meets all the conditions set forth in the Law and this regulation.
2. Authorization to sell shares/units to public sector investment enterprises shall be **considered valid only after** the contract between the management company and the agent or individual agent has been signed, and after a written notification is sent to the Authority.
3. The company shall ensure that individuals, employed by a legal entity (agent), and individual agents shall submit the following documentation to each potential investor:
 - a. Prospectus and Rules of the Collective Investment Undertakings Fund
 - b. Promotional material of collective investment undertaking approved by the Authority, as well;
 - c. Authorization for representation issued by the management company.
4. The management company and individuals employed by the agent or individual agent who shall keep and update regularly the status and transactions performed in relation to the units/shares through the individuals employed by the agent or individual agent.
5. The management company shall ensure that the agent or individual agents who collect all the necessary data and documentation for the investors who are provided units/shares of the collective investment undertaking in compliance with the laws and by-laws in force.
6. The Management Company shall publish on its official website the updated list of agents employed by the agent, as well as the individual agents authorized to sell the shares/units of investment undertakings under its administration.
7. The Management Company shall be liable to investors for the actions or inactions by the individual employed by the agent or individual agents for the sale of shares/units of the collective investment undertaking.

Article 6

Information to be submitted to the Authority

1. The Management Company shall submit each month to the Authority an updated list of agents and individual agents with whom they have signed agreements.
2. The list referred to in paragraph 1 of this Article shall include:
 - a. Name and surname of the person;
 - b. Temporary/permanent address;
 - c. Profession as well;
 - ç. Relationships between the person and the management company.
3. In the case of individuals in a legal entity (agent), together with information on the individuals referred to in paragraph 2, the list referred to in paragraph 1 of this Article shall include this information for the legal entity (agent):
 - a. Company name;
 - b. Company registration number at the NBC, and;
 - c. Address of headquarters.
4. Legal entity (agent) should have a register of individuals - employees authorized to sell the shares/units of collective investment undertakings with a public offering and submit it to the Authority upon request of the latter.
5. The information presented in compliance with paragraphs 2, 3 and 4 of this Article shall be such as to prove validity of the authorization to the Authority to sell shares/units to collective investment undertakings with a public offering.

The Authority verifies the validity of the authorization to sell shares/units to collective investment undertakings through a request to the management company for the delivery of relevant documentation and through on-site inspections.

Article 7

Complaints

1. The Authority supervises the activity of agents and individual agents who have signed an agreement with a management company for the sale of shares/units to collective investment undertakings with a public offering.
2. Each interested party has the right to make a complaint to the Authority on the **individual employed by the agent and the individual agent** who has acted in violation of the provisions of the Law and of this Regulation during the sale of shares/units.
3. Appeals filed with the Authority shall be submitted in writing. The Authority will not take into consideration unsigned and anonymous complaints.
4. In the event the Authority, upon receipt of a signed and non-anonymous complaint, determines that an **individual employed by the agent and the individual agent** has violated the provisions of the Law and of this Regulation, when selling shares/units, informs regarding the

results the management company that has signed a contract with this [individual employed by the agent and the individual agent](#).

5. Frequent violation of the provisions for the sale of shares/units of collective investment undertakings with a public offering by [individuals employed by the agent and the individual agent](#) who has signed an agreement with a management company, may lead to the revocation of the management company's license.

Article 8
Responsible agent for the sale of units/shares of foreign undertaking

This regulation is also valid for the sale of units/shares of collective investment undertakings with a public offering created by a foreign management company through a contract with the responsible agent in the territory of the Republic of Albania.

Article 9
Entry into Force

This regulation shall enter into force immediately.

CHAIRPERSON
Elisabeta GJONI