ESMA_QA_796

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25/02/2021

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Additional Information

Level 1 Regulation
Regulation 2020/1503 - European crowdfunding service providers for business

Topic
Information to clients on topics other than costs and charges

Subject Matter
Use of Special Purpose Vehicles (SPV)

Question
What type of underlying asset can an SPV give exposure to?

ESMA Answer

25-02-2021

Original language

The ECSPR aims to facilitate direct investments and avoid creating regulatory arbitrage opportunities. The use of an SPV interposed between an underlying asset and investors shall be permitted only when it enables investors to gain exposure to assets which could otherwise not or not easily be offered to investors. For that reason, Article 3(6) of the ECSPR restricts the use of SPVs to illiquid or indivisible types of underlying assets only. Consequently, the interposition of an SPV can only be justified when the unique underlying asset is either illiquid or indivisible.

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