ESMA_QA_823

Submission Date
23/09/2022

Status: Answer Published

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
Investor protection and marketing communication

Question
Can a CSP prevent a prospective non-sophisticated investor or non-sophisticated investor from investing on the basis of the result of the simulation of the ability to bear loss referred to in Article 21(5) of the ECSPR.

ESMA Answer

23-09-2022

Original language

(Published as Crowdfunding Q&A 5.10)

No. The simulation of the ability to bear loss is a self-assessment to be performed by prospective non-sophisticated investors or non-sophisticated investors in their own interest. It is not intended to be a ground to prevent prospective non-sophisticated investors or non-sophisticated investors from investing. However, in accordance with Article 21(5) and 21(6) non-sophisticated investors shall acknowledge they have received the results of the simulation.