



CENTRAL BANK OF CYPRUS

EUROSYSTEM

Applications for the authorisation of Payment Institutions - common errors observed

- Failure to submit ALL information in relation to the background / previous positions / conflict of interest of the proposed members of the management body.
- Failure to respond to ALL questions in the questionnaire.
- Failure to submit a duly completed questionnaire by ALL the proposed acquirers with qualifying holdings.
- Use of incorrect questionnaire.
- Conflicting information between the submitted documents.
- Use of generic templates for critical documents, not properly adapted to the activities of the applicant company (e.g. risk management policy and procedures, etc.).
- Failure to provide a group structure showing ALL the necessary shareholding details.
- Failure to explain how the services to be provided by the applicant company for which licensing is sought fall under the categories of the law.
- Insufficient information in the programme of operations and business plan documents.
- Inadequate number of independent members of the management body of the applicant company.
- Insufficient information in relation to the financial projections and assumptions used by the applicant.
- Overoptimistic financial projections / unrealistic assumptions.
- Insufficient information on the calculation of own funds (or no calculation at all).
- Insufficient information in relation to the activities / functions to be outsourced.
- Insufficient information / evidence on the source of the funds to be used for the investment.