



# Approval to hold a stake of more than 20% in a financial sector company – 1 of 2020

## *Financial Sector (Shareholdings) Act 1998*

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To: Kristo Kaarmann and Taavet Hinrikus and the persons named in the schedule (the applicants)

SINCE:

- A. the applicants have applied to the Treasurer under subsection 13(1) of the *Financial Sector (Shareholdings) Act 1998* (the Act) for approval to hold a stake of more than 20% in TransferWise Ltd ABN 17 168 331 191 (the financial sector company);
- B. I am satisfied it is in the national interest to approve the applicants holding a stake of more than 20% in the financial sector company,

I, Therese McCarthy Hockey, a delegate of the Treasurer, under paragraph 14(1)(a) of the Act, APPROVE the applicants holding a stake of 32% in the financial sector company.

Under subsection 16(1) of the Act, this approval is subject to the conditions set out in the attached schedule.

This instrument takes effect on 30 November 2020 and remains in force indefinitely.

Dated: 20 November 2020

[Signed]

Therese McCarthy Hockey  
Executive Director  
Banking Division

### **Interpretation**

In this instrument:

**APRA** means the Australian Prudential Regulation Authority.

**financial sector company** has the meaning given in section 3 of the Act.

**stake** in relation to a company, has the meaning given in clause 10 of Schedule 1 to the Act.

## **Notes**

The Treasurer or the Treasurer's delegate is required to give a copy of this instrument to the financial sector company to which this instrument relates and publish a copy of this instrument in the *Gazette*.

Section 19 of the Act provides for flow-on approvals for an approval under paragraph 14(1)(a) of the Act. Under subsection 19(1), if an approval has been granted for the holding of a stake of more than 20% in a financial sector company that is a holding company of an authorised deposit taking institution or an authorised insurance company, then an approval is taken to exist for the holding of the same percentage stake in each financial sector company that is a 100% subsidiary of the holding company. Under subsection 19(3), if an approval has been granted for a company to hold a stake in a financial sector company of more than 20%, there is taken to be in force at that time an approval for each officer of the company to hold the same percentage stake in the financial sector company.

## **Schedule – the person(s) who applied for approval**

1. OÜ Notorious
2. Kotilda OÜ

## **Schedule – the conditions**

### *Limits on individual shareholdings*

None of the applicants may individually hold a direct control interest of more than 20% in TransferWise Ltd ABN 17 168 331 191 without prior approval from the Treasurer or a delegate of the Treasurer.

## **Notes**

Under subclause 10(1A) of Schedule 1 to the Act, a person holds a stake in a company at a particular time, only if the person holds a direct control interest in the company. A direct control interest in a company at a particular time is, under subclause 11(1) of Schedule 1 to the Act, equal to the percentage voting power in the company that the person is in a position to control at that time. Under subclause 11(2) of Schedule 1 to the Act, a person's direct control interest in a company (the second level company) includes the person's direct control interest in a company (the first level company) multiplied by the first level company's direct control interest in the second level company.