

TO : Cyprus Investments Firms
FROM : Cyprus Securities and Exchange Commission
DATE : February 10, 2016
CIRCULAR No : C114
SUBJECT : Pillar III Disclosure in accordance with Part Eight of European Regulation (EU) 575/2013 ('the Regulation')

The Cyprus Securities and Exchange Commission ('the CySEC') wishes to remind the Cyprus Investment Firms ('the CIFs') about their obligation in relation to Pillar III disclosures. More specifically:

1. Article 433 of Part Eight of the Regulation states that *'Institutions shall publish the disclosures required by this Part at least on an annual basis. Annual disclosures shall be published in conjunction with the date of publication of the financial statements...'*.
2. Paragraph 32(1) of Part II of DI2014-144-14 for the Prudential Supervision of Investment Firms states that *'The information referred to in Part Eight of Regulation (EU) No 575/2013, shall be audited in accordance with the Auditors and Statutory Audits of Annual and Consolidated Accounts Law of 2009 and shall be published, where possible, as an annex to the annual financial statements or, where applicable, to the consolidated financial statements of the CIF concerned, or on the CIF's website. The CIF will be responsible to submit its external auditors' verification report to the Commission the latest within five months from the end of each financial year'*.
3. Article 114 of the Investment Services and Activities and Regulated Markets Law of 2007, as subsequently amended states that *'Every CIF must submit to the Commission within four months from the end of the financial year, financial accounts that provide a true and fair picture of the CIF and are in accordance with the applicable accounting standards and rules. The said financial accounts must be audited by an auditor and accompanied by a signed copy of its report'*.
4. Based on the above, CIFs are obliged to publish their Pillar III disclosures required under Part Eight of the Regulation by the end of April each year and submit to CySEC the external auditors' verification report by the end of May each year, the latest.

5. For example, CIFs must publish their 2015 Pillar III disclosures by 30 April 2016 and submit to CySEC the corresponding external auditors' verification report by 31st May 2016.

Sincerely,

Demetra Kalogerou
Chairman of the Cyprus Securities and Exchange Commission