



CP2009-05

Consultation Paper of the Cyprus Securities & Exchange Commission regarding the issue of Directive DI 200-2004-07 for the notification in the Republic of Cyprus of unit prices of foreign UCITS

The Cyprus Securities and Exchange Commission ('the Commission') exercising its efficient supervision and consultation procedures with the relevant parties at the market as far as the proposed amendments at the national legislation, circulates the Consultation Paper CP2009-05 for purposes of submitting comments/views.

The above-mentioned Consultation Paper relates to the Commission's draft Directive DI200-2004-07 for regulating the means and the manner of notification in the Republic of Cyprus of prices of foreign UCITS which market their units in the Republic of Cyprus.

In accordance to the above, the Commission invites you to submit your comments/views until Monday, the 11th of May 2009, preferable at the email legal@cysec.gov.cy or, if this is not possible, at the address:

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4th floor
Nicosia
Fax. 22 754671**

Attached, as Annex A, is the draft Directive DI200-2004-07 in an unofficial translation in English.

Published on the 24th of April 2009.

The present English text is for information purposes only and is not legally binding. The legally binding document is in the Greek language

ANNEX A

**OPEN-ENDED UNDERTAKINGS OF COLLECTIVE INVESTMENT IN TRANSFERABLE
SECURITIES (UCITS) AND RELATED ISSUES LAWS OF 2004 TO 2008**
Directive issued by virtue of clause 131(3)

**DIRECTIVE DI200-2004-07 OF THE SECURITIES AND EXCHANGE COMMISSION ON THE
NOTIFICATION OF UCITS UNIT PRICES**

ARRANGEMENT OF PARAGRAPHS

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Paragraph 4	Means of communication in the Republic of the UCITS unit prices
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200(I) of 2004
59(I) of 2008

The Securities and Exchange Commission exercising the powers vested in it by virtue of section of 131(3) of the Open-ended Undertakings for Collective Investment in Transferable Securities (UCITS) and Related Issues Laws of 2004 and 2008 ('the Law') and pursuant to the provisions of section 131(1) of the Law, hereby issues the following Directive:

- Short title
1. This Directive shall be referred to as the Directive on the notification of UCITS unit prices.
- Interpretation
2. (1) In this Directive, unless the context shall otherwise prescribe:
- «Net asset value» shall mean the unit value which results from the division of the net value of the UCITS' assets by the number of UCITS units in circulation
- 200(I) of 2004
59(I) of 2008
- «Law» shall mean the Open-ended Undertakings for Collective Investment in Transferable Securities (UCITS) and Related Issues Law in force at any time
- «Notification of prices» means:
- (a) The communication in the Republic of the information regarding the UCITS unit prices in the mean provided for in paragraph 4 of the said Directive
- (b) The publication of the UCITS net asset value in the means provided for in paragraph 5 of the said Directive
- «Redemption price» means the price on which an investor redeems his/her units in a UCITS which results from deducting from the UCITS net asset value the level of the commission which the UCITS may charge as an exit fee pursuant to its documents
- «Issue price» means the price on which a unit-holder purchases units in a UCITS which results from adding in the UCITS net asset value the level of the commission which the UCITS may charge as an entry fee pursuant to its documents
- «UCITS» shall mean the Open-ended Undertakings for Collective Investment in Transferable Securities (UCITS) under the meaning of sections 129 and 130A of the Law
- «UCITS unit prices» means the net asset value, the issue price and the redemption price of the UCITS units.
- Without prejudice to the above provisions, any terms used in this Directive and not otherwise interpreted shall have the meaning attributed to them by the Law.
- (2) Where in this Directive a reference is made to the Law, this shall include the Regulatory Administrative Acts issued thereof.
- Scope of Application
3. This Directive shall apply to the UCITS that market their units in the Republic.
- Means of communication in the Republic of the UCITS unit prices
4. The communication in the Republic of the information regarding the UCITS unit prices (i.e. net asset value, the issue price, redemption price of the UCITS units) may be conducted by the UCITS distributor in the Republic during its interaction with the investors/unit-holders.

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- Means of publication in the Republic of the UCITS net asset value
5. In addition to the provisions of paragraph 4 above, the UCITS net asset value must be published in the Republic in one of the following medium:
- (a) the website of a regulated market in the Republic;
 - (b) the website of the UCITS or/and its Distributor in the Republic;
 - (c) one (1) daily Cypriot newspaper of pancyprian circulation.
- Manner of publication in the Republic of the UCITS net asset value
6. (1) The publication of the UCITS net asset value should:
- (a) take place in the same frequency as in the UCITS' state of origin;
 - (b) pertain to the UCITS' latest available information;
- It is understood that in the case of publication of the UCITS net asset value through the website of the UCITS and/or its Distributor, the website should at all time be updated and it should include an express reference to the date of its update.
- (c) include at least the following information:
 - (i) The name of the UCITS or the UCITS' sub-fund (in the case of an umbrella scheme UCITS).
 - (ii) The date to which the UCITS net asset value refer.
 - (iii) The currency in which the UCITS net asset value is expressed.
- (2) Subject to the provisions of the above sub-paragraph, the publication of the UCITS net unit value should be also accompanied by the following notes which should be clearly presented:
- (a) *«The information on the UCITS net asset value is indicative and should not be considered as an invitation to purchase UCITS units»*
 - (b) *«The information on the UCITS net asset value does not include the issuing and redemption commissions that may be charged during the purchase and redemption of units of UCITS».*
- UCITS reporting obligation to the Commission
7. UCITS shall be obliged to immediately notify in writing about changes made in the manner of publication in the Republic of their net asset value.
- The above reporting to the Commission must be made within two (2) working days from the date the change has been set into force.
- Transitional provisions
8. (1) UCITS which pursuant to the provisions of the Law are permitted to market their units in the Republic prior to the entry into force of this Directive and which already publish their prices through an international newspaper (e.g. Financial Times), they may continue to do that provided that they shall publish their net asset value also in one of the medium provided for in paragraphs 5(a) and 5(b)

above.

(2) In addition to the above, UCITS which pursuant to the provisions of the Law are permitted to market their units in the Republic prior to the entry into force of this Directive, should:

(a) No later than one (1) month from the entry into force of this Directive, notify in writing the Commission with respect to the medium through which they shall publish their net asset value as well as to the frequency with which they shall publish their net asset value in accordance with the provisions of the said Directive.

(b) No later than three (3) months from the entry into force of this Directive, comply with the provisions of paragraph 6 above.

Entry into force

9. This Directive shall enter into force on the date of its publication in the Official Gazette of the Republic.