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**TO** : Regulated Entities

- i. CIFs
- ii. ASPs
- iii. UCITS Management Companies
- iv. Internally managed UCITS
- v. AIFMs
- vi. Internally managed AIFs
- vii. Internally managed AIFLNP
- viii. Companies with sole purpose the management of AIFLNP
- ix. Crypto Asset Service Providers
- x. Small AIFMs under Law 81(I)/2020

**FROM** : Cyprus Securities and Exchange Commission

**DATE** : 23 September 2025

**CIRCULAR NO.** : C728

**SUBJECT** : EU Council's Restrictive Measures against Russia due to its military aggression against Ukraine – Article 5h of Regulation (EU) 833/2014

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The Cyprus Securities and Exchange Commission (the 'CySEC') wishes to draw the attention of the Regulated Entities to the amendment of [Article 5h](#) of Council Regulation (EU) 833/2014. Article 5h is quoted below in its entirety, after its amendment:

**Article 5h (replaced by the following):**

***'1. It shall be prohibited to engage, directly or indirectly, in any transaction with legal persons, entities or bodies listed in Annex XIV or with any legal person, entity or body established in Russia whose proprietary rights are directly or indirectly owned for more than 50 % by an entity listed in Annex XIV.***

***1a. The prohibition in paragraph 1 shall not apply to transactions:***

*(a) that are necessary for the functioning of diplomatic and consular representations of the Union and of the Member States or of partner countries in Russia, including delegations, embassies and missions, or international organisations in Russia enjoying immunities in accordance with international law;*

***(b) made by nationals of a Member State who are residents of Russia and were so before 24 February 2022.***

*1b. By way of derogation from paragraph 1, the competent authorities may authorise, under such conditions as they deem appropriate, transactions which are strictly necessary for divestment from Russia or the wind-down of business activities in Russia.*

*1c. By way of derogation from paragraph 1, the competent authorities of a Member State may authorise the execution of transactions with Bank Zenit, as listed in Annex XIV, under such conditions as they deem appropriate and after having determined that the execution of such transactions is necessary for:*

*(a) the payment of goods falling under CN 3402 90 ;*

*(b) the execution of contracts concluded before 1 January 2025 until 1 January 2028 or until their expiry date, whichever is earlier.*

*2. For each legal person, entity or body listed in Annex XIV, the prohibition set out in paragraph 1 shall apply as of the date mentioned for it in that Annex. The prohibition shall apply as of the same date to any legal person, entity or body established in Russia whose proprietary rights are directly or indirectly owned for more than 50 % by an entity listed in Annex XIV.'*

**CySEC notes that the EU has widened the scope of the amended Article 5h of Regulation (EU) 833/2014, from a prohibition to provide specialised financial messaging services to the legal persons, entities or bodies listed in Annex XIV, into a full transaction ban with the legal persons, entities or bodies listed in Annex XIV (which now includes a total of 45 Russian banks) or their subsidiaries whose proprietary rights are directly or indirectly owned for more than 50% and are established in Russia.**

Furthermore, the Regulated Entities are reminded of the importance of studying the [Commission Consolidated FAQs](#), which also cover Article 5h of Regulation (EU) 833/2014.

CySEC calls the Regulated Entities to harmonise the existing measures and procedures in place that are designed and implemented for the detection of actions that are in breach or may potentially be in breach of the provisions of the Restrictive Measures and/or Sanctions, in accordance with the amended Article 5h of Regulation (EU) 833/2014.

Sincerely,

Dr George Theocharides  
Chairman, Cyprus Securities and Exchange Commission