
TO : **Regulated Entities:**

- i. Alternative Investment Fund Managers ('AIFMs')
- ii. UCITS Management Companies ('UCITS MC')
- iii. Self-Managed UCITS ('SM UCITS')
- iv. Self-Managed Alternative Investment Funds ('SM AIFs')
- v. Self-Managed Alternative Investment Funds with Limited Number of Persons ('SM AIFLNP')
- vi. Companies with sole purpose the management of AIFLNPs
- vii. Small Alternative Investment Fund Managers ('Small AIFMs')

FROM : Cyprus Securities and Exchange Commission

DATE : March 22, 2022

CIRCULAR No : C492

FILE No : 01.13.001.002.002

SUBJECT : Risk-Based Supervision Framework – Electronic submission of information for the year 2021 (Form RBSF-MC)

The present Circular is issued pursuant to section 25(1)(c)(ii) & (iii) of the Cyprus Securities and Exchange Commission Law ('the CySEC Law').

The Cyprus Securities and Exchange Commission ('the CySEC') wishes to inform Regulated Entities about the following:

1. Information Requested by CySEC

- 1.1. A new version of the form, **RBSF-MC Version 5** ('the Form') has been issued, which can be found in the [Appendix](#). This Form is issued on an annual basis and aims to collect various statistical information. CySEC will use this information, for the purposes of statistical analysis and risk management, among other things.

- 1.2. The Form must be completed and **successfully submitted** to CySEC, by **all Regulated Entities that were authorised, appointed or approved to act as External Fund Managers (in case no authorisation is required by the relevant legislation), by December 31, 2021**. In this respect, Regulated Entities that were authorised, appointed or approved to act as External Fund Managers by December 31 2021, but have not made use of their authorisation or appointment, must also submit the Form.

- 1.3.** The Form must be successfully submitted electronically via CySEC's Transaction Reporting System ('TRS') **15:00 hrs, Thursday, April 28, 2022 at the latest.**

- 1.4.** The steps that the Regulated Entities will have to follow, for the successful submission of the Form to the TRS, can be found [here](#). Upon submission, the Regulated Entities are responsible to ensure that they have received a **feedback file**, i.e., an official submission confirmation dispatched by the TRS in the Outgoing directory.

- 1.5.** The feedback file will either contain a NO ERROR indication or, in the case that any error(s) has/have occurred during submission, it will contain a description of that/those error (s). In case of any errors detected during submission of the Form, the Regulated Entities must review the Form and ensure that all errors are addressed and corrected, before they digitally sign (only applicable for Excel files) and re-submit the Form. **The Form is regarded as being successfully submitted to CySEC only when a NO ERROR indication feedback file is received, within the deadlines set out in point 1.3 above.**

- 1.6.** CySEC emphasises the importance of meeting the deadline of **15:00 hrs, Thursday, April 28, 2022** and stresses that **NO extensions will be granted.**

- 1.7.** **Failure to promptly and duly comply with the above, will bear the administrative penalties of section 37(5) of the CySEC Law.**

2. New Information Requested

Below we list the new information, requested in this version of the Form.

2.1. Section O - Internal Policies and Procedures

Nine additional questions are added in this Section, as follows:

1. **Question 47:** How would you rate the effectiveness of the policies and procedures that the entity has in place for the prevention, detection and mitigation of Information Communication Technology (ICT) Risks and Cyber risks?
Please consider 1 as the lowest value (Poor) and 10 as the highest value (Excellent).

2. **Question 48:** How would you rate the adequacy and skills of personnel to prevent, detect and mitigate cyber-attacks and to support the ICT operational needs and ICT/Security risk management processes on an ongoing basis?
Please consider 1 as the lowest value (Poor) and 10 as the highest value (Excellent).

3. **Question 49:** How would you rate the effectiveness and adequacy of the systems that the entity has in place to prevent, detect and mitigate ICT risks and Cyber risks?
Please consider 1 as the lowest value (Poor) and 10 as the highest value (Excellent).

4. **Question 50:** To what extent does the entity carry the Information Communication Technology activities internally and/or externally? (Completely internally/ completely externally/ partially internally and partially externally)?

5. **Question 51:** How would you rate the ICT activities carried out externally or partially externally if applicable?

Please consider 1 as the lowest value (Poor) and 10 as the highest value (Excellent). In case this is not applicable please select N/A.

6. **Question 52:** How would you rate the ICT activities carried out internally or partially internally if applicable?

Please consider 1 as the lowest value (Poor) and 10 as the highest value (Excellent). In case this is not applicable please select N/A.

7. **Question 53:** Has the company experienced during the period cyber-attacks?

Please insert the number of the incidents (numeric i.e. 1,2,3 etc.) that had an impact on the entity (i.e. loss of data authenticity, integrity, confidentiality and theft or leak of data and information). In case that no such incidents have occurred, please insert 0 ('zero').

8. **Question 54:** How would you rate the extent to which the Business Continuity Plan is updated to address new, changing and emerging risks?

Please consider 1 as the lowest value (Poor) and 10 as the highest value (Excellent)

9. **Question 55:** How would you rate overall the integration of sustainability risks and climate change factors, in the portfolio management and risk management process?

Please consider 1 as the lowest value (Poor) and 10 as the highest value (Excellent)

2.2. **Section Q - Details of each Undertaking of Collective Investments (UCI) under Management** (This is an entirely new section)

This new section requests information at the level of each UCI (each column will represent a separate UCI- see paragraph 4 for further details) and it consists of thirteen new questions as follows:

1. **Question 1** – In this question the following information must be completed: Name of the Undertaking of Collective Investments under Management, the National Code of the UCI, the NAV of the period (Period T) (€) and the NAV previous period (Period T-1) (€).

2. **Question 2** Liquidity Profile requests for the breakdown of the NAV based on the Portfolio Liquidity Profile (2.1.) and the Investor Liquidity Profile (2.2.) (the total must be equal to 100%).

3. **Question 3** requests the total value of subscriptions paid during the period in €.

4. **Question 4** requests the total value of redemptions made during the period in €.

5. **Question 5** requests the Net Asset Value of the less liquid assets in € (Value of less liquid assets/ illiquid assets may include for example: physical assets, unlisted equity, non - investment grade corporate bonds and convertible bonds and loans etc).

6. **Question 6** requests the total ongoing costs in €.

7. **Question 7 and 8** request information about the Functions and the Significant Control Functions that are delegated: (partially or fully).

8. **Question 9 -12** request information about the depositary engaged in each UCI.
9. **Question 13** requests information about the number and composition of Board of Directors of the UCI.

3. Amendments in the Form

Within the new version of the Form, **Questions 1.1, 1.2, 2.1, 2.2, 2.4 and 3.1, under Section K - Products, Services and Transactions**, request **the number of UCIs**, instead of the number of customers.

4. Important information when completing the number of Undertaking of Collective Investments (UCIs)

For the purposes of completing the Form, please note that when questions require information about **the number of UCIs**, the sub-fund(s) of an umbrella fund, should be considered as fund(s). This amendment relates to:

- **Section B** (Question 1.5)
- **Section I** (Reporting the information at the level of each sub-fund)
- **Section Q** (Reporting the information at the level of each sub-fund)

Examples:

- i. A Regulated Entity has one UCI under management, which has three sub-funds. The answer to question 1.5 (Section B) is three.
- ii. A Regulated Entity has one UCI under management, which does not have sub-funds. The answer to question 1.5 (Section B) is one.
- iii. A Regulated Entity has two UCIs under management, one has three sub-funds, and one with no sub-funds. The answer to question 1.5 (Section B) is four.

5. General Comments for the completion of the Form

- 5.1.** The Form will be available **only in English**.
- 5.2.** Regulated Entities are required to report data in **EUR**, rounded to the nearest unit.
- 5.3.** Please always ensure that you have the latest version of the Form, i.e. **Version 5**.
- 5.4.** Instructions on the completion of the Form can be found in the Form's '*instructions*' worksheet.
- 5.5.** Before submitting the Form, please ensure that all validation tests that are contained in the Form (Sections A, B, C1, C2, D, E, F, G, H, I, K, L, M, N, O, P, Q and Validation Tests Worksheet) are **TRUE** (Green Colour).

6. How to create, sign and submit the Form to CySEC:

After populating the required Excel fields in the Form, the Regulated Entities should name their Excel file in accordance with the following naming convention:

Username_yyyymmdd_RBSF-MC

The information below explains the naming convention:

- (1) **Username** – is the username of the TRS credentials, which should already be in the possession of the Regulated Entities, which have previously submitted any electronic file to the TRS system. This codification should be entered in capital letters.
Regulated Entities, that have not previously requested their TRS credentials, can do so by following the instructions available at our website [here](#), which provides further information about the TRS.
- (2) **yyyymmdd** – this denotes the end of the reporting period of the Form. In this case, the Form should have a 20211231 format. Future forms will have different reporting periods.
- (3) **RBSF-MC** – this is the coding of the Form RBSF-MC, that remains unchanged and should be inserted, exactly as it appears.
- (4) **The Excel® must be of 2007 version and onwards.** Excel will add the extension .xlsx as soon as it is saved. This extension should not be inserted manually, under any circumstances.

7. Support

7.1. Queries on how to complete the fields of the Form

Should you have any queries on the completion of Form RBSF-MC, please submit them only in writing, any day **PRIOR to Monday, April 18, 2022**, by sending an email to riskstatistics.fundmgrs@cysec.gov.cy. All email communication should have the Regulated Entity's full name and the TRS coding, in the subject line.

7.2. Technical Queries on digitally signing and submitting the Form

For technical matters on digitally signing and submitting the Form, REs are advised to frequently visit the CySEC website at the specified [section](#). For further clarifications, REs can send an email to information.technology@cysec.gov.cy.

All email communication with CySEC should include the REs full name and the TRS coding, in the subject line.

Yours sincerely,

Dr. George Theocharides
Chairman, Cyprus Securities and Exchange Commission