

TO : **AIFMs who do not exceed the threshold of section 4(2) of the Alternative Investment Fund Managers Law of 2013**

FROM : **Securities and Exchange Commission**

DATE : **4 June 2014**

No CIRCULAR : **CI56-2014-20**

No FOLDER : **6.1.14**

SUBJECT : **Arrangements for the registration of AIFMs who do not exceed the threshold of section 4(2) of the Alternative Investment Fund managers Law of 2013 (L. 56(I)/2013) - REMINDER**

Cyprus Securities and Exchange Commission (the 'Commission') would like to draw your attention to Circular **CI56-2013-01** which was issued on July 26, 2013 regarding the registration of AIFMs that do not exceed the threshold of section 4(2) of the Alternative Investment Fund Managers Law of 2013 (the 'Law').

The relevant entities that are obliged to register, include, but are not limited to the following:

- IFs authorised under the Investment Services and Activities and Regulated Markets Law or Credit Institutions that manage International Collective Investment Schemes licensed under the International Collective Investment Schemes Law of 1999 or other AIFs;
- Self-managed international collective investment schemes licensed under the International Collective Investment Schemes Law of 1999; and
- Approved investment companies of the Cyprus Securities and Stock Exchange Law in case they are self-managed, or their manager in case they are externally managed.

Please be informed that the registration to the Commission's register is a **legal obligation** and all entities that fall within the scope of section 4(2) of the Law should comply with the provisions of section 4(3) of the Law according to which:

4(3) 'AIFMs referred to in paragraph (2) –

(a) are subject to registration with the competent authorities of their home Member State; and

(b) at the time of registration, identify themselves and the AIFs that they manage to the competent authorities of their home Member State; and

(c) at the time of registration, provide information on the investment strategies of the AIFs that they manage to the competent authorities of their home Member State; and

(d) regularly provide the competent authorities of their home Member State with information on the main instruments in which they are trading and on the principal exposures and most important concentrations of the AIFs that they manage in order

*to enable the competent authorities to monitor systemic risk effectively; and
(e) notify the competent authorities of their home Member State in the event that they do no longer meet the conditions referred to in paragraph (2)'.*

The details regarding the registration are included on the Circular CI56-2013-01 which is on the Commission's website at:

<http://www.cysec.gov.cy/Downloads/Circulars/2013/%CE%93%CE%B5%CE%BD%CE%B9%CE%BA%CE%AD%CF%82/Circular%20CI56-2013-01%20Regarding%20arrangements%20for%20the%20registration%20of%20AIFMs.pdf>.

When filling in the details, please refer to **sections XI to XII.III** (paragraphs 37 – 101) of ESMA Guidelines on reporting obligations under Articles 3(3)(d) and 24(1), (2) and (4) of the AIFMD. The relevant document is on the Commission's website at:

<http://www.cysec.gov.cy/Downloads/Events/EuropeanIssues/ESMA%20Guidelines/ESMA%202013.1339%20Guidelines%20on%20reporting%20obligations%20under%20AIFMD.pdf>.

Finally we draw your attention to the fact that non-compliance with the relevant provisions of the Law, may lead to administrative action by the Commission in accordance with section 74 of the Law.

Sincerely,

Demetra Kalogerou
Chairwoman of the Cyprus Securities and Exchange Commission