
TO : **Cyprus Investment Firms**

FROM : **Cyprus Securities and Exchange Commission**

DATE : **12 June 2014**

CIRCULAR No : **CI144-2014-20**

FILE No : **E.K. 6.1.14**

SUBJECT : **Bank Recovery and Resolution Directive - Data request for a preliminary exercise of the European Commission**

The Cyprus Securities and Exchange Commission ('the Commission') wishes to inform the Cyprus Investment Firms ('the CIFs') about the following:

1. The European Parliament and the Council have adopted a [Directive establishing a framework for the recovery and resolution of credit institutions and investment firms](#) (the 'BRRD'). The scheduled Official Journal publication for BRRD is set on 12 June 2014.
2. BRRD lays down rules and procedures relating to the recovery and resolution of credit institutions and investment firms in the event of failure. The term investment firm means an investment firm as defined in point (2) of Article 4(1) of [Regulation \(EU\) No 575/2013](#) that is subject to the initial capital requirement laid down in Article 28(2) of the [European Directive 2013/36/EU](#) (in particular, it means the firm that is authorized to provide the investment service of dealing on own account and/or of underwriting of financial instruments and/or placing of financial instruments on a firm commitment basis).
3. According to BRRD, Member States will be required, as a general rule, to set up ex-ante resolution funds to ensure that the resolution tools provided in BRRD can be applied effectively. Investment Firms that fall under the ambits of BRRD will have to make annual contributions to these funds. With a view to ensuring a level playing field within the European Market, the European Commission (the 'EC') is empowered, among others, to adopt delegated acts, which are related to the contributions to the above-mentioned funds. In this respect, EC requests data for a preliminary exercise for the calculation of the contributions.
4. All information provided will be considered confidential, and as such not to be shared beyond its intended addressees or used for other purposes than the fulfillment of the mandate given to the EC.
5. The Commission requests all CIFs that fall under the term investment firms referred to in paragraph 2 above, to complete the [Annex](#) attached and submit it in excel format to the electronic address crdsubmission@cysec.gov.cy, by **Tuesday, June 17, 2014, the latest**.

6. Instructions

All affected CIFs should follow the instructions below while completing the Annex:

- Data should be provided for 31/12/2012 and 31/12/2013 based on audited figures. There are **TWO** separate sheets in the excel file of the Annex, one for each date.
- Amounts should be completed in Euro and expressed in thousands. Please use the exchange rate published in the website of the Central European Bank www.ecb.int/stats/exchange/eurofxref/html/index.en.html#downloads under 'All bilateral exchange rates times series' with the frequency daily 'Daily'.
- Data should be calculated at individual level (solo) and reported **on row 17** of each excel sheet. Do not make any changes in the spreadsheets.
- If some data of the requested is missing for a given CIF, these should be reported as empty cells.
- The Excel template lists all the requested variables and, where applicable, the detailed FINREP/COREP reference for each data item. This is meant to provide common definitions that would guide the compilation of the template, even if this data request precedes the first remittance dates under the technical standards on supervisory reporting required by Regulation (EU) No 575/2013.
- The detailed reference of FINREP and COREP are listed in Annex III and Annex I, respectively, of [the Implementing Technical Standards with regard to supervisory reporting](#) according to Regulation (EU) No 575/2013.

7. Contact

Should you have any queries on the completion of the [Annex](#), please contact Mrs Anna Andreou (Officer, Supervision Department), or send an email to the address crdsubmission@cysec.gov.cy.

Sincerely

Demetra Kalogerou
Chairman Cyprus Securities and Exchange Commission