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TO : **Cyprus Investment Firms**  
FROM : **Cyprus Securities and Exchange Commission**  
DATE : **12 November 2008**  
CIRCULAR No : **CI144-2008-22**  
FILE No : **E.K. 6.1.14**  
SUBJECT : **CIF's obligations regarding the notification of information**

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The Cyprus Securities and Exchange Commission ('the Commission') wishes, with the present circular, to inform the Cyprus Investment Firms ('CIFs') about their obligations arising from the Investment Services and Activities and Regulated Markets Law of 2007 ('the Law') and the Directives issued pursuant to the Law, concerning the notification of information to the Commission. For this purpose, we attach:

1. In Annex A, the sections of the Law and the paragraphs of Directives that require the notification of information for the granting of an authorisation or approval by the Commission.
2. In Annex B, the sections of the Law and the paragraphs of Directives that require the notification of information for which NO authorisation or approval by the Commission is required.

Finally, in Annex C, we attach for your convenience, a timetable in relation to the submission of information to Commission for which a deadline has been set by the Law or the Directives.

Note that all what is mentioned in the above Annexes, constitute obligations of the CIFs, unless other persons are indicated in the above Annexes.

Sincerely

Akis Hadjipieris  
Vice Chairman, Cyprus Securities and Exchange Commission

## ANNEX A

### **Sections of the Law and Paragraphs of the Directives that require the notification of information for the granting of an authorisation or approval by CvSEC**

	<b>Section (S)/ Paragraph (P) Directive<sup>1</sup></b>	<b>Notification Description</b>
1.	S6(9)(b)	Conducting of other activities by a CIF
2.	S21(1)	Granting a CIF authorisation
3.	S23	Extention of a CIF authorisation
4.	S31(1)	Reduction of the CIF's share capital
5.	S32(1)	Changes in the persons who effectively direct the CIF business
6.	S33(1)	Acquisition, sale, increase or reduction of a CIF holding (the notification is made from the person that intends to make the above actions)
7.	S40(7)	Registration of tied agents in the public register
8.	S40(8)	Appointment of a person to act as a tied agent that is not registered in the public register
9.	S52(2)	Undertaking of duties of section 52(1) to a CIF from persons that are not registered in the public register
10.	S67(3)	CIF's own funds fall below the limits of section 67(1) and (2)
11.	S69(4)	Exposures exceed the limits of section 69(1) και (2)
12.	S75(2)	Establishment of a CIF branch in the Republic
13.	S75(4)	Changes of information regarding CIF's branch in the Republic
14.	S76(2)	Establishment of a CIF branch in another member state

<sup>1</sup> DI(1): Commission Directive DI-144-2007-01

DI(2): Commission Directive DI-144-2007-02

DI(3): Commission Directive DI-144-2007-03

DI(4): Commission Directive DI-144-2007-04

DI(5): Commission Directive DI-144-2007-05

		or a third country
15.	S76(5)	Changes of information regarding CIF's branch in another member state or a third country
16.	S79(2)	Freedom to provide investment and ancillary services or and perform investment activities by a CIF to a third country
17.	S79(6)	Changes of information in relation to freedom to provide services or and perform activities to a third country
18.	S83(2)	Entering into arrangements with a central counterparty, clearing and settlement system in respect of MTF
19.	P17(2) – DI(1)	Outsourcing of operational functions, investment services and activities to a service provider in a third country
20.	P31, Chapter 6, Part C-DI(5)	Internal capital adequacy assessment process (ICAAP)
21.	Annex VIII, Part D - DI(5)	Trading book policy statement
22.	P8(1), Chapter 7, Part C- DI(5)	Permission for the use of IRB method

**Sections of the Law and Paragraphs of the Directives**  
**that require the notification of information for which NO authorisation or approval**  
**is required**

	<b>Section (S)/ Paragraph (P)</b>	<b>Notification Description</b>	<b>Notification Date</b>
1.	S24(2)	Cease of provision of investment services or investment activities by CIF	Immediate
2.	S26(4)	Compliance of CIF with the stipulations of the Commission	Within deadline given
3.	S32(3)	Changes in the persons who effectively direct the CIF business (the notification is made by the CIF and the natural persons)	Immediate
4.	S33(6)	Acquisition,sale,increase or reduction of the participation in the CIF's share capital	Immediate
5.	S33(7)	Names of the CIF's shareholders and the size of their holdings during the previous year	31 January every year
6.	S33(8)	Changes of information of shareholders (the notification is made by the CIF and the natural persons)	Immediate
7.	S34	Material change of conditions of the CIF's authorisation	Immediate
8.	S40(12)	Change of information of tied agent (the notification is done only by tied agent)	Immediate
9.	S40(13)	Appointment / dismiss of tied agent and changes of information related to the tied agent	Immediate

10.	S40(15)	Table with the details of CIF's tied agents	31 January every year
11.	S45(1)	Obligation to report details of transactions in financial instruments admitted to trading on a regulated market	Immediate and not later than the end of the next working day
12.	S46(2)(a)	Report significant breaches of the rules of the MTF, the disorderly trading conditions or conduct that may involve market abuse (for MTF)	Immediate
13.	S53(3)	Change of details of persons registered in the public register (the notification is done only by the natural person)	Immediate
14.	S53(4)	Beginning / termination of employment of those persons that perform the duties stated in section 52(1)	Immediate
15.	S79(2)	Freedom to provide/perform investment activities in a member state	--
16.	S79(6)	Change of information of section 79(2)	One month before changes
17.	S79(10)	Establishment of MTF's facilities to another member state	--
18.	S114	Submission of audited financial statements	Within 4 months from the end of each financial year
19.	S115(1) and (2)	Facts that constitute violation of the Law/Directives/Regulation (the notification is made by the auditor)	Immediate
20.	S116	Report in relation to the suitability of the measures pursuant to section 18(i) and (j) (the notification is made by the	Within 4 months from the end of each financial year

		auditor)	
21.	S144(1), DI(4)	Annual fees payable to the Commission	Within 4 months from the end of each financial year
22.	P9(4) - DI(1)	The minutes of the meetings of the board of Directors in which reports related to the compliance functions, risk management & internal audit have been discussed along with the written reports	Within 20 days from the date of the relevant meeting
23.	P8(9) - DI(2)	Marketing communication	In good time
24.	P39(2), Chapter 7, PART C- DI(5)	Forms 144-05-06 and 144-06-08	<p>Within one month after the end:</p> <ul style="list-style-type: none"> <li>• of every month for CIF under section 10(3)</li> <li>• of every three months (31/3, 30/6, 30/9, 31/12) for CIF under section 10(1) and 10(4)</li> <li>• of every six months (30/6, 31/12) for CIF under section 10(2)</li> </ul>
25.	P39(3), Chapter 7, PART C- DI(5) and P(37), Part V, DI(6)	Forms 144-05-06 and 144-06-08 in consolidated or sub-consolidated basis	Within one month after the end of every six months (30/6, 31/12) for CIF under section 10(1) and 10(3)
26.	P39(4), Chapter 7, PART C - DI (5)	Default of counterparties in their obligations for repurchase and reverse repurchase agreements	Immediate

27.	P37, Chapter 7, PART C- DI(5)	External auditors' verification report for disclosure of information	Within four months from the end of each financial year
28.	PART D, Annex VIII-D7(5)	Trading book policy statement	--

**Timetable for the submission of information to the Commission for which a deadline has been set  
by the Law or the Directives**

	January	February	March	April	May	June	July	August	September	October	November	December
Shareholders' statement [S33(7)]	31/1 <sup>2</sup>											
Table of tied agents [S40(15)]	31/1 <sup>2</sup>											
Financial Statements [S114]				30/4 <sup>2</sup>								
Suitability Report [S116]				30/4 <sup>2</sup>								
Annual Fees [S144(1), DI4]				30/4 <sup>2</sup>								
Capital Adequacy Statements and exposures (P39(2), Cha. 7, Part C, DI(5) and P18, Part V, DI (6)):												
• CIF S10(3) <sup>3</sup>	31/1	28/2	31/3	30/4	31/5	30/6	31/7	31/8	30/9	31/10	30/11	31/12
• CIF S10(1), 10(4) <sup>4</sup>	31/1			30/4			31/7			31/10		
• CIF S10(2) <sup>5</sup>	31/1						31/7					

<sup>2</sup> The submission of information concerns the CIFs financial year that ends 31<sup>st</sup> of December.

<sup>3</sup> The submission of information concerns the exact previous month.

<sup>4</sup> The submission of information concerns the exact previous three months.

<sup>5</sup> The submission of information concerns the exact previous six months.



**ANNEX C (continuation)**

	January	February	March	April	May	June	July	August	September	October	November	December
Consolidated statements for capital adequacy and exposures (P39(3), Cha. 7, Part C, DI (5):												
• CIF S10(1), 10(3) <sup>6</sup>	31/1						31/7					
External auditors report for disclosure of information (P37, Cha. 7, Part C, DI(5))				30/4 <sup>2</sup>								

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<sup>6</sup> The submission of information concerns the exact previous six months.