

## ANNOUNCEMENT

The European Securities and Markets Authority (“ESMA”) has published Guidelines (JC 2014 43) on complaints-handling for the Securities Sector. The said Guidelines apply to Cyprus Investment Firms (“**CIFs**”), management companies and investment companies that have designated a management company (“**Management Companies**”) and external Alternative Investment Fund Managers (“**External AIFMs**”).

In order to comply with the aforementioned Guidelines, the Cyprus Securities and Exchange Commission (“the Commission”) has amended the following Directives:

1. **Directive DI144-2007-01 of 2012** for the authorisation and Operating Conditions of CIFs (“CIF Directive”) with the deletion of paragraph 13 «Complaints or grievances handling (section 18(2)(a) of the Law)» and its substitution with the new paragraph 13 «Complaints handling (section 18(2)(a) of the Law)», and
2. **Directive DI78-2012-03** on the Organisational Requirements of UCITS Management Companies with the addition of a new paragraph 5A «Complaints» after the existing paragraph 5 «Resources – Accounting procedures – Electronic systems - Complaints».

External AIFMs will be subject to the amended CIF Directive, since they provide investment and ancillary services which are included in the Investment Services and Activities and Regulated Markets Law of 2007 (“the IF Law”) and which require a licence by the Committee.

Furthermore, the Commission would like to inform all interested parties that according to the new amendments, they will be obligated to complete specific Documents which will contain information regarding possible receipt and handling of complaints and which must be filed electronically to the Commission on a tri-monthly basis. The said Documents will be available very soon on the relevant sections of CIFs and UCITS on the Commission’s website.

For the purpose of assisting all interested parties, the Commission will issue a Circular, which will contain details and filing dates for the aforementioned Documents as well as information relating to technical and other subjects regarding receipt, examination and handling of complaints.

The present amendments are in force from **Friday 07 November 2014**, the date of their publication in the Official Gazette of the Republic (Annex Three, Part 1, no.)

**Nicosia, 11 November 2014**