



CYPRUS SECURITIES AND EXCHANGE COMMISSION

TO : Cypriot Investment Firms
FROM : Cyprus Securities and Exchange Commission
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CIRCULAR No : CI144-2012-03
FILE No : E.K. 6.1.14
SUBJECT : Portfolio Management by using Power of Attorneys

The Cyprus Securities and Exchange Commission ('the Commission') wishes, with the current circular, to draw the attention of the Cypriot Investment Firms (CIFs) to the following:

It has come to the Commission's attention that some CIFs' clients enable persons who are not authorised under the Investment Services and Activities and Regulated Markets Law ("the Law"), to manage their accounts through signing a Power of Attorney.

The aforementioned activity on a professional basis comes under the definition of section 2 of the Law "Portfolio Management" and a person who performs such activity, is possibly violating the section 4 of the Law (provision of investment services without being authorised)

CIFs that facilitate or/and allow the provision of the investment service of Portfolio Management to their clients, by persons who are not authorised under the Law, are possibly not complying with the conditions of section 36 of the Law.

Yours sincerely

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