
To : **Regulated Entities**

- i. CIFs**
- ii. ASPs**
- iii. UCITS Management Companies**
- iv. UCITS**
- v. AIFMs**
- vi. Self-managed AIFs**
- vii. Self-managed AIFLNP**s
- viii. Companies with sole purpose the management of AIFLNP**s

From : **Cyprus Securities and Exchange Commission**

Date : **01 March 2017**

Circular No : **C 191**

Subject : **Regulated Entities' compliance with reporting and other obligations**

The Cyprus Securities and Exchange Commission (the 'CySEC') wishes, with the present Circular, to inform the Regulated Entities of the following:

1. From the date of authorisation and/or taking up duties (where this is applicable, ie. for companies with sole purpose the management of AIFLNP)s, Regulated Entities are subject to the relevant CySEC legislation and/or the relevant European Regulations, and are required to comply with all their obligations regarding the submission of reports and/or statements and/or information ('reports') arising from the legislation and European Regulations, as well as pay the annual fees/contributions towards the CySEC.
2. The date of authorisation is the date when the Regulated Entity obtains its authorisation from the CySEC or takes up duties (as the case may be), and has nothing to do with whether the Regulated Entity is operational or not (which, for the self-managed or externally managed AIF/AIFLNP/UCITS, could mean that it has not raised capital from investors, or, for the CIF, that it did not make use of its authorisation). It is therefore reiterated that Regulated Entities have to meet their obligations from the date of authorisation and not the date of becoming operational.

3. The CySEC clarifies that, if a Regulated Entity has been authorised and/or has taken up duties as external manager for AIF/AIFLNP/UCITS, and during the same year it was not operational, reports for that year **must** be submitted to the CySEC and annual fees/contributions in proportion to the time-period for which it holds its license shall be paid.

Examples (not exhaustive):

- (a) if an AIFM has taken up duties as external manager for an AIF in December 2016, it is obliged, among other, to submit to the CySEC the Compliance Officer's annual report of paragraph 10 of Directive DI144-2007-08 of 2012 for the Prevention of Money Laundering and Terrorist Financing for the year 2016, **even if** the said AIF did not, during 2016, raise capital from investors.
 - (b) if a company with sole purpose the management of AIFLNP has taken up duties as external manager for an AIFLNP in December 2016, it is obliged, among other, to submit to the CySEC the information under article 4(3) of the Alternative Investment Fund Managers Law for the year 2016, **even if** the said AIFLNP did not, during 2016, raise capital from investors.
 - (c) if a CIF/ASP has been authorised in December 2016, it is obliged, among other, to submit to the CySEC the Monthly Prevention Statement of paragraph 11 of Directive DI144-2007-08 of 2012 for the Prevention of Money Laundering and Terrorist Financing for each month after its authorisation, **even if** the CIF/ASP was not, during those months, operational.
4. It is noted that the CySEC expects that the reports, **even if** they relate to a period during which the Regulated Entities were not operational, will contain the minimum required information requested by the CySEC and/or the European Regulations.
 5. The Regulated Entities are referred to the relevant Circulars and/or Directives issued by the CySEC, as well as to the relevant legislation and European Regulations, regarding the **content** and **timing** of submission for the relevant reports.
 6. The CySEC expects that all Regulated Entities will take into account the above when preparing and submitting their reports, in order to ensure timely and full compliance with their obligations deriving from the relevant legislation and/or Directives and/or European Regulations. It is stressed that the relevant legislation

provides strict administrative sanctions in case of non-compliance with these requirements.

Sincerely,

Demetra Kalogerou
Chairwoman
Cyprus Securities and Exchange Commission