
TO : **Cyprus Investment Fund Managers ('CyIFMs'):**

- i. Cyprus UCITS Management Companies and Self-Managed Cyprus UCITS ('CyUCITS MCs')**
- ii. Cyprus Alternative Investment Fund Managers and Self-Managed Cyprus AIFs ('CyAIFMs')**
- iii. Sub Threshold Cyprus Alternative Investment Fund Managers and Self-Managed sub threshold Cyprus AIFs ('sub threshold CyAIFMs')¹**

FROM : **Cyprus Securities and Exchange Commission ('CySEC')**

DATE : **11 April 2025**

CIRCULAR No.: **C703**

SUBJECT : **Obligations of CyIFMs regarding their websites and marketing communications**

A. Introduction

- 1.** In an increasingly digital world, effective and compliant communication through websites, and marketing materials is crucial for fostering investor confidence, ensuring transparency and adhering to regulatory standards.
- 2.** This Circular serves as a reminder to CyIFMs of their obligations regarding website compliance, as CySEC has observed inconsistencies in website content, inadequate disclosures and deviations from the applicable regulatory framework. It also outlines CySEC's expectations and additional compliance measures to enhance transparency and investor protection.
- 3.** CyIFMs are generally required to maintain a website, ensuring that its content aligns with marketing communications requirements. Additionally, they must disclose certain documents and information, making them accessible to investors through their website.
- 4.** The obligations of CyIFMs vary depending, among others², on the investor group to which their funds under management are addressed. For example, if they are addressed to:

¹ Sub threshold AIFMs includes AIFMs and Internally Managed AIFs of the Republic, whose assets under management fall below the thresholds of section 4(2)(a) or 4(2)(b) of Law 56(I)/2013, as amended and have not chosen to opt in as per the provisions of section 4(6) of Law 56(I)/2013.

² Sustainable finance regulatory obligations and regulatory obligations of a fund located in another MS and managed by a CyIFM, constitute additional factors that affect such obligations.

- i. **Retail Investors:** Enhanced transparency requirements apply, including the disclosures of PRIIPs KID and detailed fund documentation.
- ii. **Professional Investors:** Exemptions apply to certain disclosure requirements, but marketing communications must still be fair, clear and non-misleading.
- iii. **Well-Informed Investors:** Although categorized separately, they must be treated as retail investors for marketing communications purposes; therefore, all relevant obligations applicable to retail clients apply.

B. Regulatory obligations

5. The legislation governing CyIFMs establishes several regulatory requirements related to website compliance, which CyIFMs must adhere to. In general, CyIFMs are required to maintain a website, ensuring that its content is fair, clear and non-misleading. Additionally, CyIFMs must publish various documents and information on their website. Key examples of such requirements are outlined in point 6 below.

6. Key examples of regulatory requirements related to website compliance

i. Website maintenance

- **CyUCITS MCs:** According to Article 112(3) of Law 78(I)/2012, these entities are required to maintain an official website.
- **AIFMs:** Although there is no explicit legal requirement, various legal provisions imply the necessity of a website for compliance with disclosure requirements (e.g. Article 79(2)(e) of Law 124(I)/2018).
- **Sub threshold CyAIFMs:** The same applies as for AIFMs. They must maintain a website if they market funds to retail investors and/or have SFDR disclosure obligations.

ii. Disclosure obligations

- **CyUCITS MCs:** Must upload the Key Investor Information Document (KIID) on their website (article 63(2) of [Law 78\(I\)/2012](#)).
- **AIFMs, sub threshold CyAIFMs:** If addressing retail investors, the offering document must be available on the manager's website (article 79(2)(e)³ of [Law 124\(I\)/2018](#)).
- **PRIIPs manufacturers** (e.g. UCITS MCs, AIFMs): Before making a PRIIP available to retail investors, a key information document must be published on the manufacturer's website (article 5(1) of [Regulation \(EU\) No 1286/2014](#)).
- **SFDR requirements** ([Regulation \(EU\) 2019/2088](#) applicable to all CyIFMs). For example:

³ This article applies to AIFs, RAIFs and AIFNPs.

- Article 3(1) - Financial market participants must publish on their websites information about their policies on the integration of sustainability risks in their investment decision-making process.
- Article 4 - Financial market participants whether they consider principal adverse impacts of investment decisions on sustainability factors or not, they are obliged to make certain disclosures on their website.
- Article 5 - Financial market participants and financial advisers must include in their remuneration policies information on how those policies are consistent with the integration of sustainability risks and must publish that information on their websites.

iii. Marketing communications compliance

- **CyUCITS MCs:** Key investor information must be fair, clear and non-misleading and its content must be consistent with the relevant parts of the prospectus (article 62(2) of [Law 78\(I\)/2012](#)).
- **AIFMs, sub threshold CyAIFMs:** All marketing communications must be precise, clear and not misleading, as well as be clearly identifiable as such (article 83 of [Law 124\(I\)/2018](#)).
- **CyUCITS MCs, AIFMs:** [Regulation \(EU\) 2019/1156](#) on facilitating cross-border distribution of Collective Investment Undertakings and [ESMA Guidelines on Marketing communications](#) (ESMA34-45-1272), as adopted by CySEC under [Circular C473](#), establish rules and provide guidance on marketing requirements for collective investment undertakings and on marketing communications addressed to investors. Sub threshold CyAIFMs, should consider the content of such EU regulatory framework, as guidance to best practices they could adopt in order to comply with their relevant legal obligations.

C. CySEC expectations and required actions

7. CyIFMs are expected to undertake the following actions to ensure compliance:

- i. Website maintenance:** Ensure the proper upkeep of an official website (owned and operated by them). CySEC also urges sub thresholds CyAIFMs that address their funds to non-retail investors and do not have SFDR disclosures obligations to maintain a website, even though no specific requirement applies to them.
- ii. Regulatory compliance:** Conduct an immediate review to ensure website content aligns with the regulatory requirements (e.g. [Regulation \(EU\) 2019/1156](#) on facilitating cross-border distribution of CIUs, [ESMA Guidelines on Marketing communications](#)⁴).

⁴ According to ESMA Guidelines on marketing communications, the website/s owned and operated by CyIFMs, constitute marketing communications and as such, their content must be in line with the legal obligations governing fair, clear and non-misleading communications.

- iii. **Website review and updates:** Conduct an immediate review to ensure that all required disclosures (including a list of active funds under management and their target investor group)⁵ are accurate, and up to date.
- iv. **Direct accessibility of documents:** Ensure, where applicable, that the key investor documents (e.g. prospectuses, PRIIPs KID) are directly available on their websites without requiring users to sign up or request access.
- v. **Third-party website oversight:** If a fund maintains a separate website, the CyIFM remains responsible for its compliance and must have full administrative access.
- vi. **Internal compliance framework:** Establish an internal review process for website content and marketing communications to ensure continued adherence to regulatory requirements.

D. Additional compliance measures

- 8. To enhance oversight and regulatory compliance, CyIFMs must:
 - i. **Notify CySEC of website details:** Update CySEC of any new or modified website (beyond those initially reported to CySEC) via the Funds Portal within 10 days from the establishment or modification.
 - ii. **Set a compliance deadline:** Implement all required actions mentioned in point 7 above by the end of May 2025.

It is stressed that CySEC will conduct periodic reviews to ensure compliance with the relevant obligations.

E. Final remarks

- 9. CyIFMs must take immediate action to assess and update their website content and marketing communications and ensure full compliance, at all times, with the relevant regulatory obligations.

For any clarifications, CIFMs may send an email to the address supervision.uci@cysec.gov.cy.

Sincerely,

Panikkos Vakkou
Vice Chairman
Cyprus Securities and Exchange Commission

⁵ All required disclosures must be included on the CyIFMs' websites, regardless of whether they are already available on the websites of the funds under management.