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**TO** : **Regulated Entities:**  
i. **Cyprus Investment Firms**  
ii. **Management Companies<sup>1</sup>**  
iii. **Alternative Investment Fund Managers<sup>2</sup>**

**FROM** : **Cyprus Securities and Exchange Commission**

**DATE** : **September 14, 2016**

**CIRCULAR NO.** : **C160**

**SUBJECT** : **MIFID II Guidelines on Cross Selling Practices**

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The Cyprus Securities and Exchange Commission ('the CySEC') wishes to inform the Regulated Entities about the following:

1. The European Securities and Markets Authority (ESMA) has published its Guidelines on Cross Selling Practices under MiFID II ('the [Guidelines](#)') to ensure investors are treated fairly when a firm offers two or more financial products or services as part of a package.
2. The Guidelines include principles on:
  - i. improving disclosures when different products are cross-sold with one another;
  - ii. requiring firms to provide investors with all relevant information in a timely and clear manner;
  - iii. addressing conflicts of interest arising from remuneration models; and
  - iv. improving client understanding on whether purchasing the individual products offered in a package is possible.
3. The CySEC adopts the Guidelines.
4. The Guidelines will apply from 3 January 2018.

Sincerely,

Demetra Kalogerou  
Chairman of Cyprus Securities and Exchange Commission

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<sup>1</sup> Management companies when providing services pursuant to section 109(4) of Law 78(I)/2012, as in force.

<sup>2</sup> AIFMs when providing services pursuant to section 6(6) of Law 56(I)/20013, as in force.