



TO : **External Managers of RAIFs -**
(i) AIFMs
(ii) UCITS Management Companies
(iii) Managers of AIFs authorised to manage AIFs below the thresholds provided for under section 4(2) of the Alternative Investment Fund Managers Law
(iv) Investment Firms
(v) Small AIFMs of the Republic
(vi) Small AIFMs of a Member State

FROM : **Cyprus Securities and Exchange Commission**

DATE : **26 January 2022**

CIRCULAR. NO : **C484**

SUBJECT : **Registration of RAIFs with the CySEC RAIF Register**

The Cyprus Securities and Exchange Commission ("**CySEC**") wishes to inform the External Managers¹ of Registered Alternative Investment Funds ("**RAIFs**") that Circular C285 is herewith repealed and replaced and to draw their attention to the following:

1. CySEC amended the Directive for the registration and deregistration of RAIFs in the RAIFs register ("**DI124-01**"). The amending Directive has been published in the CySEC website (available [here](#)).
2. Within one (1) month from the date of submission of the information provided for in section 138(2) of the Alternative Investment Funds Law of 2018 ("**AIF Law**"), CySEC shall examine and verify whether the authorisation of the External Manager covers the management of an AIF with the investment policy of the respective RAIF, and

¹ The persons appointed to manage the investments of the RAIFs referred to in sections 135(1) and 135(2) of the AIF Law and in sections 3(2) and 3(3) of the Small Alternative Investment Fund Managers Law of 2020.



where it does, CySEC registers the RAIF in question with the CySEC RAIFs Register and informs its external manager.

3. The External Managers shall ensure that each and every RAIF under their management, comply with all of their obligations under the AIF Law, so that they can operate as RAIFs. The compliance with the provisions of the AIF Law is assessed by CySEC in the context of its ongoing supervision and where potential violations arise, CySEC may impose sanctions to the respective External Manager and/or RAIF, pursuant to section 120 of the AIF Law.
4. It is reminded that:
 - 4.1. In order for CySEC to examine an application for a RAIF's registration with the CySEC RAIF register, the application form 124-00-01, shall be accompanied by the following:
 - (i) The certificate of incorporation of the RAIF (if applicable, depending on the legal status of the RAIF).
 - (ii) Information in relation to the investment strategy, including the type of the underlying AIFs (in case of funds of funds) and in relation to the policy of the External Manager as to leverage, as to the risk profile and as to the other characteristics of the respective RAIF that it manages or intends to manage.
 - (iii) The Constitutional documents² or the regulation of the RAIF.
 - (iv) Information as to the arrangements undertaken for the appointment of a depositary.
 - (v) The information memorandum of the RAIF.
 - (vi) The authorization of the external manager of the RAIF.
 - (vii) Attestations by the external auditors and legal advisors of the External Manager or of the RAIF.
 - (viii) Attestation by the promoter of the application.
 - 4.2. For the purposes of a RAIF registration with the CySEC RAIF Register:
 - (i) In the case of RAIFs that will be established as:
 - a) An investment company or as a limited partnership, the External Manager thereof shall within one (1) month from their incorporation in

² Namely the memorandum and articles of association or the partnership agreement (as the case may be).



the register of the Department of Registrar of Companies and Intellectual Properties, submit an application to CySEC for their registration with the CySEC RAIF Register.

- b)** Mutual funds, the External Manager thereof shall within one (1) month from producing their regulation, submit an application to CySEC for their registration with the CySEC RAIF Register.
- (ii)** In the specific case of an existing company that intends to be converted into a RAIF:
- a)** The company must comply with section 134 of the AIF Law; and
 - b)** By way of *mutatis mutandis* application of section 138(2) of the AIF Law, the External Manager thereof, shall submit an application to CySEC for the registration with the CySEC RAIF Register, within one (1) month from the amendment of the memorandum and of the articles of association of the said company.

Upon receipt of all information³ required under point (i) or (ii) above (as the case may be), CySEC shall within one (1) month examine and verify whether the External Manager is authorized to manage the RAIF in question, and in the affirmative case, it shall register the RAIF with the CySEC RAIF Register.

- 4.3. In the context of producing the regulation or the constitutional documents of a RAIF (as the case may be), the External Manager thereof must ensure that there is full compliance with the provisions of the AIF Law.
- 4.4. In case of investment companies or limited partnerships, the Department of Registrar of Companies and Intellectual Properties assesses the relevant constitutional documents, solely in relation to the provisions of the Companies' Law or of the General and Limited Partnership and Business Names Law (as the case may be).
- 4.5. Save for the cases where an explicit exception under the AIF Law applies, all other provisions of the AIF Law apply *mutatis mutandis* also in the case of RAIFs and must

³ The application must be fully completed and must be accompanied by all necessary documents.



thus be taken into consideration when producing the regulation or the constitutional documents of the RAIF.

4.6. A non-exhaustive list⁴ of the provisions of the AIF Law that must be taken into consideration when producing the regulation or the constitutional documents (as the case may be) is the following:

- (i) The regulation or the constitutional documents of the RAIF (as the case may be) must explicitly provide that the RAIF is subject to the provisions of Part VIII of the AIF Law – Section 134(1)(c) of the AIF Law.
- (ii) The legal status of the RAIF (C.F., F.C.I.C., V.C.I.C., L.P.) must be also mentioned in its name, along with a reference that it is a “*Registered Alternative Investment Fund*” or “*RAIF*”⁵– sections 4(2)(a)-(c) and 134(3)(b) of the AIF Law.
- (iii) The provisions in relation to Umbrella-type RAIFs – sections 9 και 134(5) of the AIF Law.
- (iv) The provisions as to the type of the RAIF – section 7 of the AIF Law.
- (v) Depository related matters– sections 28(1) and 34(1)(d).
- (vi) Subscription and redemption related matters– Chapter 7, Part II.
- (vii) Mutual funds related matters – Part 1, Chapter 8, Part II.
- (viii) Investment companies related matters – Part 2, Chapter 8, Part II.
- (ix) Limited partnerships related matters - Part 3, Chapter 8, Part II.
- (x) Mergers related matters – sections 87 and 141.
- (xi) Matters related to the units of RAIFs– section 137.

Sincerely,

George Karatzias
Vice-chairman of the Cyprus Securities and Exchange Commission

⁴ This list is not exhaustive. Interested parties shall ensure their compliance with their cumulative obligation under the AIF Law.

⁵ Where the regulation or the constitutional documents (as the case may be) are drafted in English.