CIFs Quarterly Statistics
Common errors for completing the Form T144/002

ΕΠΙΤΡΟΠΗ
ΚΕΦΑΛΑΙΑΓΟΡΑΣ
ΚΥΠΡΟΥ

CYPRUS SECURITIES AND EXCHANGE COMMISSION

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CIFs Quarterly Statistics

The Cyprus Securities and Exchange Commission ('the CySEC') has compiled this guide to common errors, which incurred when completing the Form T144/002 ('the Form'). The purpose of this document is to resolve the issues raised, in order to facilitate the data collection by the Statistics, Research and Risk Management Department ('CySEC Risk Statistics').

The Cyprus Investment Firms ('CIFs') are kindly requested to read carefully this guide for the following common errors, before completing the Form:

I. General errors

II. Errors detected in specific sections

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I. General Errors

1. Error of 'Wrong spreadsheet used'

For each reporting period, the CIFs should ensure that they submit the corresponding version of the Form as announced in RSS feeds. For example:

a.   *Version 3* corresponds only to the reporting period '01/01/2016-30/06/2016' and was announced in the RSS feeds on 30 August 2016.

b.   *Version 4* corresponds only to the reporting period '01/07/2016-30/09/2016' and was announced in the RSS feeds on 3 November 2016.

c.   *Version 6* corresponds only to the reporting period '01/10/2016-31/12/2016' and was announced in the RSS feeds on 7 February 2017.

d.   *Version 7* corresponds only to the reporting period '01/01/2017-31/03/2017' and was announced in the RSS feeds on 05/04/2017.

CIFs should note that, in the event that some of the information provided in previous submissions of the Form was wrong, then the CIFs must notify the CySEC Risk Statistics in writing, as soon as possible, giving details about the error and explaining the reason for providing wrong information (e.g. "The number of Clients reported for the Reporting Period 01/07/20XY –30/09/20XY, section B, cell C22 was incorrect. The correct number of Clients is X.").

Depending on the materiality of the error/misstatement, the CySEC Risk Statistics will advise on the steps to be taken to correct the Form and if required the Form may have to be resubmitted via the TRS.

2. Error of 'Submission date'

The submission date in *Section 'General Info', cell D19* must be the actual date for submitting the Form through the TRS.

CIFs should pay attention to the cases when they are requested to re-submit the Form. In these cases the CIFs should also change the submission date in order to agree with the actual date of re-submission.

3. Error of 'Wrong reporting period used'

The Form must be reported for each quarter. Therefore, **the data reported should refer only to that specific reporting period**, relating to each quarter**.**

In this respect, CIFs should ensure that the *'Reporting period' in Section 'General Info', cell D16* is reported only in the format of **dd/mm/yyyy** and are the following:

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- 01/01/20XY – 31/03/20XY
- 01/04/20XY – 30/06/20XY
- 01/07/20XY – 30/09/20XY
- 01/10/20XY – 31/12/20XY

4. Error of 'File name'

The *'File name'* in *Section 'General Info', cell D11* must be only in the following format:

{TRS username}_yyyymmdd_T144-002, where yyyymmdd is the Reference Date.

5. Drop Down lists

The CIFs should select only from the options given in the Drop down Lists of each Section.

For example, under the *Column E 'Type of Entity' in Section C,* the CIFs should select the option from the list that best describes the 'Type of Entity in which clients' funds are held/deposited'.

Moreover, CIFs should not type or paste in columns, where options are given in the form of a drop down list.

In Sections where CIFs should report countries, they should ensure that these are always selected from the drop down lists, which are in accordance with point 1 '*ISO Country Codes*' of the Section '*Allowed value*s' of the Form. In case a CIF has to report a country which is not included in the drop down list, then the CIF should contact the CySEC Risk Statistics.

6. Completion of Mandatory Fields

In case a Section does not apply to a specific CIF, the CIF must complete all the cells of the first row of that Section (i.e. it is a mandatory field) by using **N/A** where text is required or **zeros** ('0') where values are required.

The N/A is used only to complete a cell when all other text and values of a row are N/A and zero respectively. The only exemptions to the above rule are the cells relating to 'BIC Code' *(Section C-Column C, Section D(1) – Column C, Section D(2)-Column C)* since not all entities are expected to have a 'BIC Code'.

7. Drag, Cut, Copy, Paste functions

The CIFs must avoid using functions like drag, cut, copy and paste, since **such functions affect the formulas for validating the Form** and may result in rejecting the respective Form and/or incorrect data.

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8. Colour Scheme

The CIFs are requested to pay special attention to the colours of each column and refer to the 'Colour Scheme' in 'Instructions' in order to decide whether or not the specific column applies to them. For example, the *Columns F and G of Section B* should only be completed by CIFs that are dealing in CFDs and/or Binaries, as also mentioned in Definitions D16 and D17 of the Form.

9. Token/Signature Problems

CySEC would like to remind the CIFs of their responsibility for obtaining/updating their digital signature and ensuring that there are no signature problems (e.g. absence/expiration of digital signature) **before the deadline for successfully submitting the Form.**
The CIFs that are facing signature issues relating only to technical problems should notify the CySEC Risk Statistics by email at risk.statistics@cysec.gov.cy, at least **one week prior to the relevant deadline of submission.**

In extreme cases where token/signature problems cannot be fixed before the deadline, thus CIFs are unable to meet the respective deadline, the CIFs should report the relevant problem to CySEC Risk Statistics and the CySEC IT Department by email **before the deadline of submission**.

10. Validation errors due to rounding

The numbers and amounts used for completing the Form should be rounded to the nearest integer. If the digit in the tenths place is less than 5, then round down and if the digit in the tenths place is 5 or greater, then round up. For example, if the number to be reported is 2.056.232,67 then the CIF should report 2.056.233.

11. Re-submitting the Form

In the cases that the CIFs is requested by CySEC Risk Statistics to resubmit the Form after the deadline for submission, due to errors detected or updated data, the CIFs must ensure the following:
(i)   they have used the unsigned version of the Form completed by the CIF,
(ii) they have notified the CySEC Risk Statistics by email at risk.statistics@cysec.gov.cy of their intention to resubmit. The email sent, should provide a thorough description of the reason for re-submitting the file, and
(iii) they have received a written approval from the CySEC Risk Statistics.

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12. 'File transfer successful' message

The message 'File transfer successful' means that the Form was transferred (not submitted) successfully through the TRS for further process. In order for the Form to be **successfully submitted** the following message must be received by CIFs:

"**OK. NO ERROR-Your form has been received and processed successfully by the Commission. You should keep this feedback file in your records as a proof.**"

If the CIFs do not receive such a message after their submission, then they must check their TRS outbox for the errors detected. Accordingly, CIFs should proceed with making the relevant corrections and resubmitting the Form before the deadline for submission.

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II. Errors detected in specific sections

1. Section A, cell K13 – The Leverage Ratio is outside the ranges of the drop down list

CIFs should kindly note that if the maximum leverage given to the CIF's clients falls within a range of the drop down list of *cell K12, Section A*, then the relevant leverage range should be selected from the drop down list. For example, if a CIF gives leverage that falls within the range of 0-400, then it should select the range 0-500 from the drop down list of *Cell K12, Section A*.

In case that the above is not applicable, because the CIF may grant a higher leverage than the maximum of the respective drop down list, then the CIF should select 'Other' (*Section A, cell K12*) and proceed with completing *Section A, cell K14*, accordingly.

2. Clients' Realized and Unrealized Profit/(Loss) in Section B

The CIFs should ensure that the values reported for 'Realized Profit/(Loss)' (*Section B, Column F and Section E, Column C*) and the 'Unrealized Profit/(Loss)' (*Section B, Column G and Section E, Column D*), are the Clients' Profit/(Loss) and not the Company's Profit/(Loss).

Furthermore, the CIFs should ensure that the reported values are in line with the definitions given in the Form:
- D16 'Total Clients' Realized Profit/(Loss)' and
- D17 'Total Clients' Unrealized Profit/(Loss)'.

3. Name of entity (Sections C,D1, D2)

If the name of entity completed in *Section C - Column B, Section D1 – Column B, and Section D2 – Column B* is the name of the reporting CIF, then the 'Relation' should be '**Self**' (this is **a new option** added by CySEC Risk Statistics in the options of the drop down list of 'Relation').

The CIFs should also note that if an entity name is completed, other than 'N/A' or the name of the reporting CIF, then the 'N/A' and 'Self' options for 'Relation' are **not applicable**; the CIFs should select either 'Related' or 'Non-related' i.e. the option that best describes the relationship between the entity and the reporting CIF.

4. Sections D1 and D2

It is important to note that *Section D2* is a further analysis of the financial instruments reported in *Section D1*. Therefore, the values reported in *Section D2* should also be reported in *Section D1*, accordingly.

Furthermore, those Financial Instruments that are Over the Counter ('OTC') and have been analyzed in *Section D2* as Repos *(Column H)*, CFDs *(Columns I-K)* or binaries *(Column M)*, should also be included under the 'Total value of all over the counter financial instruments' *(Section D2, Column G)*.

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5. Section E, B, D1 and D2-Values reported

The values reported in *Section E* should agree with the values reported in *Sections B, D1 and D2*, as follows:

- *Section E, Cells B24, C24 and D24* must be the same as the values reported in *Section B, Cells E21, F21 and G21* respectively.

- *Section E, Cells E24, F24, G24, H24* must be the same as the values reported in *Section D1, Cell G 15, H15, I15 and J24-O24* respectively.

- *Section E, Cells J24, K24 and L24* must be the same as the values reported in *Section D2, Cells G15, L15 and M15* respectively.

6. Section 'Validation Tests'

7. CIFs are advised to check the section of '*Validation tests*' before they proceed with submitting the Form through the TRS, to ensure that their Form is validated e.g. the Summary Result *(Section 'Validation tests', cell B70)*.

8. Section F – Number of Clients

In *Section F, Column C* the CIFs should include __only__ the 'Number of Clients on behalf of whom the CIFs had executed transactions during the period, irrespective of whether these clients had an account balance as at the reference date'.

Therefore, a number of clients in Section F should be completed **only if the volume of transactions is greater than zero**.

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