
TO : Regulated Entities:
i. Cyprus Investment Firms
ii. Alternative Investment Fund Managers¹
iii. Management Companies²

FROM : Cyprus Securities and Exchange Commission

DATE : January 17, 2019

CIRCULAR NO. : C294

SUBJECT : MIFID II Guidelines on Cross Selling Practices

Following the [Circular C160](#) issued on September, 15 2016, the Cyprus Securities and Exchange Commission ('the CySEC') wishes to remind the Regulated Entities of the ESMA [Guidelines on Cross Selling Practices](#), no. ESMA/2016/574 ('the Guidelines'), which were applicable as of 3 January 2018.

1. These Guidelines include the following principles to ensure investors are treated fairly when a firm offers two or more financial products or services as part of a package:
 - 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.

Sincerely,

Demetra Kalogerou
Chairman of Cyprus Securities and Exchange Commission

¹ AIFMs when providing services pursuant to section 6(6) of Law 56(I)/20013, as in force.

² Management companies when providing services pursuant to section 109(4) of Law 78(I)/2012, as in force.