
TO : Cyprus Investments Firms (CIFs) and the persons who effectively direct the business of a CIF

FROM : Cyprus Securities and Exchange Commission

DATE : 22 June 2017

CIRCULAR NO : C216

SUBJECT : Reminder for the obligations of Article 32 of the Investment Services and Activities and Regulated Markets Law - Changes in the persons who effectively direct the business of CIF

The Cyprus Securities and Exchange Commission ('the CySEC') wishes, with this circular, to remind the Cyprus Investments Firms ('CIFs') and the persons who effectively direct the business of CIF of the obligations provided in Article 32 of the Investment Services and Activities and Regulated Markets Law, as amended ('the Law').

In particular, Article 32 provides that:

"(1) A CIF must notify the Commission, along with all information needed to assess whether the new persons to be appointed are of sufficiently good repute and sufficiently experienced, at least one month before the change is brought about. [...]

(3) The persons that effectively direct the business of a CIF must notify in writing without undue delay, to the Commission and the CIF, of any new detail with regards their person, that could affect the sound and prudent management of the CIF.

It is provided that the CIF bears the same obligation, if it knows or ought to have known of the new relevant details."

It is clarified that the CIF is obliged, as soon as it is informed of the resignation of a person who effectively directs the CIF's business, to **immediately** notify CySEC of this resignation. Therefore, the CIF should **not** expect that this vacancy is filled prior to notifying the resignation to CySEC. We indicatively note that the appointment of a new person who effectively directs the business of the CIF should be notified to CySEC as soon as possible and the latest within 15 days from the day the CIF is notified of the aforementioned resignation.

According to Article 32 (3) of the Law, the persons who effectively direct the CIF's business should notify CYSEC in writing and without undue delay, of any new detail with regards their person that could affect the sound and prudent management of the CIF.

Yours sincerely,

Demetra Kalogerou
Chairman
Cyprus Securities and Exchange Commission