

## ANNOUNCEMENT

Further to the announcement of the Cyprus Securities and Exchange Commission (the “Commission”) dated 21.10.2014 on the publication of Circular CI131-2014-30 of the SEC concerning the Compliance of the International Collective Investment Schemes with the Alternative Investment Law of 2014 (the “Law”), the CySEC is issuing this announcement to inform all market participants.

It is reminded that the Law regulates the establishment and operation of the Alternative Investment Funds (AIF) in the Republic and replaces the International Collective Investment Schemes Laws of 1999 and 2000 (“ICIS Laws”).

Pursuant to Article 120(1) of the Law, which came into force on July 27, 2014, the International Collective Investment Schemes (ICIS) authorized pursuant to the International Collective Investment Schemes Laws of 1999 and 2000 (the “ICIS Laws”) may continue to operate either as Alternative Investment Funds with a Limited Number of Persons, or as AIF of Part II of the AIF Law, or as Alternative Investment Fund Managers if, within eight months from the date the Law came into force, they inform the Commission accordingly.

Based on the above, we would like to inform you that the period of compliance established by Law has expired on March 25, 2015. After that period, the provisions of Article 120 (2) of the Law will apply, according to which the ICIS that did not respect the procedure provided by the Law on the continuation of their operation, must be dissolved in accordance with the provisions of the ICIS Laws. It noted that the ICIS, until their dissolution, remain subject to the ICIS Laws.

The organizations recognized by the Central Bank of Cyprus as ICIS and until March 25, 2015 have applied to continue operating as either AIF or as AIF with Limited Number of Persons or as Alternative Investment Fund Managers are attached as Annex 1.

The Commission would like to draw your attention to the provisions of Article 120 (4) of the Law, according to which the disposal of units by the ICIS that have submitted documents to continue to operate as AIF with Limited Number of Persons is permitted only after written notification from the Commission that they meet the conditions necessary for their function as AIF for Limited Number of Persons.

The Commission is examining the possibility of granting priority to the ICIS applications wishing to proceed directly to the disposal of units to raise capital. Therefore, please inform the Authorisation Department online at the email address: [cignatiou@cysec.gov.cy](mailto:cignatiou@cysec.gov.cy).

The relevant email should state the name of the ICIS and the theme: "Request for examination of ICIS application for conversion to AIF for Limited Number of Persons/ AIF/ AIFM (to apply). Furthermore, the sufficient reasoning of the request is necessary.

Please, the option given by the Commission is used only by the ICIS which intend to absorb funds directly.

For any clarifying information, please contact the Authorisation Department of the Commission.

**Nicosia, 12 June 2015**