

TO : **Regulated Entities:**

- i. Cyprus Investment Firms**
- ii. Administrative Service Providers**
- iii. Undertakings for Collective Investment in Transferable Securities**
- iv. UCITS Management Companies**
- v. Alternative Investment Fund Managers**
- vi. Alternative Investment Funds**
- vii. Alternative Investment Funds with a Limited Number of Persons**

FROM : **Cyprus Securities and Exchange Commission**

DATE : **14 July 2017**

CIRCULAR NO. : **C224**

SUBJECT : **Automatic Exchange of Financial Account Information under the Common Reporting Standard Regime (“CRS”) developed by the Organisation for Economic Co-Operation & Development (“OECD”)**

The Cyprus Securities and Exchange Commission (“CySEC”) hereby draws the attention of the Regulated Entities to their legal obligation to identify, maintain and report information to the Cyprus Tax Department in accordance with the [CRS decree 161/2016](#) (“CRS Decree”), which came into force on 1 January 2016, by 21 July 2017. More specifically:

1. The CRS Decree imposes obligations on Cyprus Financial Institutions to identify, maintain and report information about individuals and entities tax resident in another jurisdiction for whom they maintain financial accounts and to report it to the Cyprus Tax Department to the extent that it is reportable under the applicable legislation.
2. There are four categories of reporting financial institutions under the applicable legislation:
 - Custodial Institution
 - Depository Institution
 - Investment Entity and
 - Specified Insurance Company
3. Each category of financial institution is determined by set criteria. Where an entity does not meet the definition of financial institution in any of the categories then it will be classified as non-financial entity (NFE).

4. To this extent, if the financial institution is resident for tax purposes in Cyprus, then the Cyprus Tax Department will regard the financial institution as within the scope of the Cyprus Agreement.
5. CySEC hereby advises the Regulated Entities to read the [Guidance Notes](#) of May 2017 in order to determine the entity's status for the various automatic exchanges of information agreements from the tax residence of the entity and comply with the relevant requirements.

The Regulated Entities are also encouraged to visit the Tax Department's [website](#) to read more information on the aforementioned.

Yours sincerely,

Demetra Kalogerou
Chairman, Cyprus Securities and Exchange Commission