
TO : **Cyprus Branches of Investment Firms**
FROM : **Cyprus Securities and Exchange Commission**
DATE : **April 25, 2024**
CIRCULAR No : **C641**
FILE No : **E.K. 02.03.001, E.K. 01.03.004 and E.K. 01.13.001.002.002**
SUBJECT : **Risk Based Supervision Framework (the 'RBS-F') – Electronic submission of information for the year 2023 (Form RBSF-CBR)**

The present Circular is issued pursuant to section 25(1)(c)(ii) & (iii) of the Cyprus Securities and Exchange Commission Law of 2009 (the 'CySEC Law'), as amended.

The Cyprus Securities and Exchange Commission (the 'CySEC') wishes to inform the Branches (established in Cyprus) of Investment Firms, which are authorized by the National Conduct Authority of a Member State other than Cyprus and which are operating in Cyprus ('Cyprus Branches'), about the following:

1. Information Requested by CySEC

- 1.1.** A new **Form RBSF-CBR** (the 'Form'), **Version 1**, found in the [Appendix](#), is now issued and its scope is the collection of various statistical information. This Form will be issued on an annual basis. CySEC will use this information, for the purposes of conducting statistical analysis, risk management and other purposes.
- 1.2.** The Form must be completed and **successfully submitted** to CySEC, by **all Cyprus Branches that were operational as at 31st December 2023**. In this respect, Branches established in Cyprus, but were not operational as at 31st December 2023, are not required to submit the Form.
- 1.3.** The Form must be **successfully submitted electronically** via the CySEC's Transaction Reporting System ('TRS') **by Wednesday, June 5, 2024, the latest.**
- 1.4.** The steps that Branches will have to follow, for the successful submission of the Form to the TRS, can be found [here](#). Upon submission, Branches are responsible to ensure that they have received a **feedback file**, i.e. an official submission confirmation dispatched by the TRS in the Outgoing directory.
- 1.5.** The feedback file will either contain a NO ERROR indication or, in case that an error(s) has occurred during submission, the description of that error(s). In case of any errors detected during submission of the Form, Branches must review the Form and ensure that all errors are addressed and corrected. **The Form is regarded as being successfully**

submitted to CySEC, only when a **NO ERROR indication feedback file is received, within the deadlines set in point 1.3. above.** This feedback file is dispatched, only during CySEC regular hours.

- 1.6. CySEC wishes to emphasise the importance of meeting the deadline of **Wednesday, June 5, 2024.** Failure to comply with the above promptly and duly, may bear the administrative penalties of section 37(5) of the CySEC Law. It is further noted that CySEC will **not** send any reminders to those Branches, which fail to comply promptly and duly.

2. General Comments for the Form

- 2.1. The Form will be completed only for the **reporting period 1/1/2023 – 31/12/2023 and using 31/12/2023 as a reference date.**
- 2.2. The Form will be available **only** in the **English language.**
- 2.3. Cyprus Branches are required to report data in **Euro**, rounded to the nearest unit.
- 2.4. Please always ensure that you have the latest version of the Form, i.e. **Version 1.**
- 2.5. Instructions on the completion of the Form can be found in the **‘Instructions’** Worksheet of the Form.
- 2.6. Before submitting the Form, please ensure that all validation tests that are contained in the Form (Sections A, B, C, D, E, F, G, H, I, J and K) at the bottom of the page and Validation Tests Worksheet) are **TRUE** (Green Color).

3. Information Requested

In the Sections of the Form listed below, various information is requested as follows:

3.1. Section A – General Information

Cyprus Branches must complete the relevant section by filling out the green cells accordingly. CySEC’s Information Technology department has provided the TRS code by email.

3.2. Section B – Clientele

Information regarding the number of customers, volume of transactions, deposits and withdrawals as well as information based on customer risk categorization, country of origin and type of customer.

Branches must report and analyse the total number of customers as at the reference date, by referring to Article 2 of AML/CFT Law of 2007 (‘the AML/CFT Law of 2007’ [188(I)/2007], as amended) and specifically the definition given for “customer” and “business relationship”.

3.3. Section C – Information for top 10 Clients

Information of the 10 biggest clients of the reporting entity based on the sum of total inflows and outflows of money in/from each client's account.

3.4. Section D – Clients' Assets

Information in relation to the Clients' Assets, held or administered by the reporting entity on their behalf.

3.5. Section E – Financial Information

Information on the financial position of the Branch regarding trading income, trading costs, income from non-trading activities, net income etc.

For the completion of Section E (Income Statement), unaudited financial statements can be used, in case the audited are not available.

3.6. Section F – Governance and Ownership

Information on the entity's governance and shareholding arrangements, e.g. on the beneficial owners, group structure etc.

3.7. Section G – Products, Services and Transactions

Information regarding the assessment of the products/services transparency and complexity, offered by the Cyprus Branch.

3.8. Section H – Countries and Geographical Areas

Information regarding the assessment of the country of residence of:

- the Branch's Customers or Customers' Beneficial Owners
- the Branch's Beneficial Owners, parent or subsidiary companies or representative offices
- other third parties that the Branch has relationships/collaborations

3.9. Section I – Customer Analysis

Information in relation to the business and activities of Customers.

3.10. Section J – Internal Policies and Procedures

Information in relation to the Branch's AML/CFT policies and procedures.

3.11. Section K – Geographical Analysis

Information in relation to the country of residence of customers that are natural persons, including PEPs, country of registration of customers that are legal entities, countries where the Branch has financial and other trade linkages etc.

4. Method of creating and submitting the Form to the CySEC

Branches should take note that no digital signature is required for the successful submission of the Form. After populating the required Excel fields in the Form, Branches should name their Excel file in accordance to the following naming convention:

Username_yyyymmdd_RBSF-CBR

The information below explains the naming convention:

- (1) **Username** – is the username of the TRS credentials, which has been sent to the Branch by the authorization department. This codification should be entered in capital letters.
Branches that have not received the TRS credentials can do so by referring [here](#) where further information is provided about the TRS.
- (2) **yyyymmdd** – this denotes the end of the reporting period of the Form. In this case, the Form should have a 20231231 format. Future forms will have different reporting periods.
- (3) **RBSF-CBR**– this is the coding of the Form, that remains unchanged and should be inserted, exactly as it appears.
- (4) **The Excel® must be of 2007 version and onwards.** Excel will add the extension .xlsx as soon as it is saved. This extension should not be inserted manually, under any circumstances.

5. Important Dates Summarised

Dates	Task
April 25, 2024	Branches can start submitting the Form to the CySEC's TRS system.
From April 25 until May 29, 2024	Branches can submit any queries that they have for this Circular and the Appendices attached.
June 5, 2024	Deadline for submitting the Form duly completed.

6. Support

6.1. Queries on how to complete the fields of the Form

Should you have any queries on the completion of Form RBSF-CBR, please submit them **only** in writing, any day **PRIOR to Wednesday, May 29, 2024**, by sending an email to the address riskstatistics.cifs@cysec.gov.cy.

6.2. Technical Queries on submitting the Form

For technical matters on submitting the Form through the TRS, Branches are advised to frequently visit the CySEC's website, at the specified [section](#). For further clarifications, the Branches are requested to use the electronic address information.technology@cysec.gov.cy.

All email communication with CySEC should include, in the subject, the Branch's full name and the TRS coding.

Yours sincerely,

Dr George Theocharides
Chairman, Cyprus Securities and Exchange Commission