

Practical Guide for the submission of the Prudential forms under IFR/IFD

The Cyprus Securities and Exchange Commission ('CySEC') wishes herein to provide to the Cyprus Investment Firms ('the CIFs') guidance for the electronic submission of the Prudential forms referring to the new prudential framework (IFD/IFR) (the 'Prudential Forms').

More specifically:

1. The Prudential Forms that this guide is referred to are the following:

Prudential Forms	Description
Form 165-01	Reporting for Class 2
Form 165-02	Reporting for Class 3

2. This guide should be read in conjunction with the ['Practical Guide for the implementation of IFR/IFD'](#).
3. The Prudential Forms should be submitted to CySEC under the following occasions:
 - (A) Normal reporting
 - (B) Reporting based on audited figures
 - (C) Exceptional reporting
4. Note that the CIFs that fall under prudential consolidation by CySEC shall submit to CySEC the Prudential Forms 165-01 or 165-02, where applicable, **both** on a Solo and Consolidated basis, for all the occasions mentioned in point 3 above.
5. CIFs should always use the latest version available of Prudential Forms, which can be found in CySEC's [website](#), under 'Prudential Supervision' section.
5. CIFs are urged to subscribe to [RSS Service](#) to ensure that they are informed for any changes in the Prudential Forms.
6. **The Prudential Forms should be submitted ONLY electronically via CySEC's Transaction Reporting System ('TRS'), after they are duly digitally signed. The CIFs are kindly requested to note that other ways for submitting the Prudential Forms will not be accepted by CySEC.**
7. More details regarding the electronic submission of Prudential forms can be found on sections **(A)–(D)** of the **Annex** found below.

A. NORMAL REPORTING

1. Reporting information:

According to Article 2 of the [Commission Implementing Regulation \(EU\) 2021/2284](#), CIFs should submit their Prudential Forms to CySEC using unaudited figures, as follows:

Class of investment firm	Type of Prudential Form to be submitted	Reporting frequency	Reporting reference dates	Reporting remittance dates
Class 2	Form 165-01 'Reporting for class 2'	Quarterly	31 March (Q1) 30 June (Q2) 30 September (Q3) 31 December (Q4)	12 May (Q1) 11 Aug. (Q2) 11 Nov. (Q3) 11 Feb. (Q4)
Class 3	Form 165-02 'Reporting for class 3'	Annually	31 December (Q4) only	11 Feb. (Q4)

2. Naming Convention

- a. The Prudential **Solo** Forms 165-01 and 165-02 of Normal Reporting should be submitted under the following naming convention:

DESCRIPTION	EXCEL NAME	EXCEL NAME AFTER DIGITALLY SIGNED
Form 165-01	XX_yyyymmdd_FORM165-01 (XX= CIF's TRS Code)	XX_yyyymmdd_FRMX165-01
Form 165-02	XX_yyyymmdd_FORM165-02 (XX= CIF's TRS Code)	XX_yyyymmdd_FRMX165-02

- b. The Prudential **Consolidated** Forms 165-01 and 165-02 of Normal Reporting should be submitted under the following naming convention:

DESCRIPTION	EXCEL NAME	EXCEL NAME AFTER DIGITALLY SIGNED
Form 165-01	XX_yyyymmdd_FORM165-01C	XX_yyyymmdd_FRMX165-01C
Form 165-02	XX_yyyymmdd_FORM165-02C	XX_yyyymmdd_FRMX165-02C

c. The information below explains the naming convention:

(1) **XX** – where XX is the codification of the CIF, as communicated by CySEC, and should be entered in capital letters.

(2) **yyymmdd** – this denotes the end of the reporting period of the Form. For example, if the reporting period ends on June 30th 2022, the yyymmdd should be 20220630.

(3) **FORM** – this is the coding of the form which remains unchanged and should be inserted exactly as it appears. Note that after the number '165-0' there is a zero (0) and not the letter O.

(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 under any circumstances be inserted manually.

(5) The different codification between solo and consolidated Prudential forms Form 165-01 and 165-02 is pinpointed in the character '**C**'. The CySEC reminds that any spaces within the file name will not be accepted by the TRS System.

3. Submission of other supporting documentation ('the Documents')

a. Together with the Prudential Forms, **Class 2 CIFs** must also submit **through CySEC's portal** the following Documents, on a **quarterly basis**, after selecting the appropriate document type from the drop-down on the portal and specifying the reference date, as follows:

- i. Solo Trial balance
- ii. Consolidated Trial balance*

- iii. Solo Balance sheet
- iv. Consolidated Balance sheet*

- v. Solo Profit and Loss a/c
- vi. Consolidated Profit and Loss a/c*

Class 3 CIFs should submit the above on an **annual basis**.

*If the CIF falls under consolidated supervision by CySEC.

- b. As a reminder, submissions to CySEC’s portal should not be digitally signed before the submission, since the digital signature is applied on the document during the upload process.
- c. The deadline to submit the Documents to CySEC remains the same as per section A(1) above.
- d. The submission of Documents through other means/way than the above, is not acceptable and the Documents will be considered as not submitted.
- e. When logged in the CySEC’s portal, there’s a portal User Guide, which can be used when facing difficulties on how to use the portal.

B. REPORTING BASED ON AUDITED FIGURES

1. Deadline to submit:

CIFs may submit unaudited figures under normal reporting. Where audited figures, **both solo and consolidated**, deviate from the submitted unaudited figures, then the revised audited figures shall be submitted to CySEC without undue delay, and not later than **five months from the end of each financial year**.

The Prudential Forms based on the audited financial statements should be submitted to CySEC as follows:

2. Naming Convention of Forms

- a. The Prudential **Solo** Forms 165-01 and 165-02 based on audited figures should be submitted under the following naming convention:

DESCRIPTION	EXCEL NAME	EXCEL NAME AFTER DIGITALLY SIGNED
Form 165-01	XX_yyyymmdd_FORM165-01A	XX_yyyymmdd_FRMX165-01A
Form 165-02	XX_yyyymmdd_FORM165-02A	XX_yyyymmdd_FRMX165-02A

- b. The Prudential **Consolidated** Forms 165-01 and 165-02 based on audited figures should be submitted under the following naming convention:

DESCRIPTION	EXCEL NAME	EXCEL NAME AFTER DIGITALLY SIGNED
Form 165-01	XX_yyyymmdd_FORM165-01CA	XX_yyyymmdd_FRMX165-01CA
Form 165-02	XX_yyyymmdd_FORM165-02CA	XX_yyyymmdd_FRMX165-02CA

- c. The information below explains the naming convention:
- i. **XX** - where XX is the two-letter codification of the CIF, as communicated by CySEC, and should be entered in capital letters.
 - ii. **yyyymmdd** - this denotes the end of the reporting period of the Form. For example, if the reporting period ends on June 30th 2022, the yyyymmdd should be 20220630.
 - iii. **FORM** - this is the coding of the form it remains unchanged and should be inserted exactly as it appears. We note that after the number '165-0' there is a zero (0) and not the letter O.
 - iv. **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 under any circumstances be inserted manually.
 - v. The different codification between solo and consolidated Prudential forms based on audited figures is pinpointed in the character '**A/CA**'. Note that character '**A**' is the Latin character and not the Greek Alpha. The CySEC reminds that any spaces within the file name will not be accepted by the TRS System.

3. **Submission of other supporting documentation**

The CIFs are **not required** to submit any additional Documents (Trial Balance, Balance Sheet, Profit or Loss a/c) together with the Prudential Forms based on the audited financial statements.

C. **EXCEPTIONAL REPORTING**

1. **Deadline to submit**

The CIFs are required to submit **immediately** to CySEC the Prudential forms, through the TRS system, when the CIF **fails to meet** the solo and/or consolidated requirements of the [Law 165\(I\)/2021](#) and/or EU Regulation 2019/2033 ('[IFR](#)').

In particular, the CIFs shall submit the Prudential Forms and the Documents (see point 3(a)) when any of the following cases occur, on a solo and/or consolidated basis, for the date of the occurrence:

- (a) the **own funds** of the CIF have decreased below its own funds requirement, calculated in accordance with Article 11 of IFR, which amounts to at least D, where D is defined as the highest of the following:
 - The CIF's fixed overheads requirement calculated in accordance with Article 13 of IFR;
 - The CIF's permanent minimum capital requirement in accordance with Article 14 of IFR;
 - The CIF's K-factor requirement calculated in accordance with Article 15 of IFR.
- (b) The **composition of own funds** has been decreased below the minimum requirement, as calculated in accordance with Article 9 of IFR and as shown below:

$$(a) \frac{\text{Common Equity Tier 1 capital}}{D} \geq 56 \%$$

$$(b) \frac{\text{Common Equity Tier 1 capital} + \text{Additional Tier 1 capital}}{D} \geq 75 \%$$

$$(c) \frac{\text{Common Equity Tier 1 capital} + \text{Additional Tier 1 capital} + \text{Tier 2 capital}}{D} \geq 100 \%$$

(c) The CIF's **liquid assets** are below its liquidity requirement, calculated in accordance with Article 43 of IFR, ie. less than the one third of the fixed overhead requirement calculated in accordance with Article 13(1) of IFR. We note that CySEC may, in exceptional circumstances, and after approval by CySEC, reduce the amount of liquid assets held, in accordance with Art. 44 of IFR.

(d) The CIF has exceeded the **concentration risk** limits, as defined in Articles 37(1) and 37(3) of IFR.

2. Naming Convention of Forms

a. The Prudential **Solo** Forms 165-01 and 165-02 under exceptional reporting should be submitted under the following naming convention:

DESCRIPTION	EXCEL NAME	EXCEL NAME AFTER DIGITALLY SIGNED
Form 165-01	XX_yyyymmdd_FORM165-01E	XX_yyyymmdd_FRMX165-01E
Form 165-02	XX_yyyymmdd_FORM165-02E	XX_yyyymmdd_FRMX165-02E

b. The Prudential **Consolidated** Forms 165-01 and 165-02 under exceptional reporting should be submitted under the following naming convention:

DESCRIPTION	EXCEL NAME	EXCEL NAME AFTER DIGITALLY SIGNED
Form 165-01	XX_yyyymmdd_FORM165-01CE	XX_yyyymmdd_FRMX165-01CE
Form 165-02	XX_yyyymmdd_FORM165-02CE	XX_yyyymmdd_FRMX165-02CE

c. The information below explains the naming convention:

- i. **XX** - where XX is the codification of the CIF, as communicated by CySEC, and should be entered in capital letters.
- ii. **yyymmdd** - this denotes the end of the reporting period of the Form. For example, if the reporting period ends on June 30th 2022, the yyymmdd should be 20220630.

- iii. **FORM** - this is the coding of the form it remains unchanged and should be inserted exactly as it appears. We note that after the number '165-0' is a zero (0) and not the letter O.
- iv. **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 under any circumstances be inserted manually.
- v. The different codification between solo and consolidated Prudential forms is pinpointed in the character '**CE**'. Note that character **E** is the Latin character and not the Greek Epsilon. CySEC reminds that any spaces within the file name will not be accepted by the TRS System.

We stress that that the different codification that is stated above (i.e. 'E' and 'CE') is valid only for the cases listed in point 1(a)-(d) above and not for any other period, in which the CIF is obliged, to submit electronically the said Forms.

3. Submission of other supporting documentation

- a. Along with the Prudential Forms, **ALL CIFs** must also submit **through CySEC's portal** the following Documents, for the date of occurrence of any of the cases in point 1 above, after selecting the appropriate document type from the drop-down on the portal and specifying the reporting date:
 - ii. Solo Trial balance
 - iii. Consolidated Trial balance*
 - iv. Solo Balance sheet
 - v. Consolidated Balance sheet*
 - vi. Solo Profit and Loss a/c
 - vii. Consolidated Profit and Loss a/c*

* If the CIF falls under consolidated supervision by CySEC.

As a reminder, submissions to CySEC's portal should not be digitally signed before the submission, since the digital signature is applied on the document during the upload process.

D. GENERAL INFORMATION REGARDING THE SUBMISSION

For **technical matters on digitally signing and submitting the Prudential Forms** the CIFs are advised to frequently visit the CySEC's [website](#). For further clarifications, the CIFs are asked to use the electronic address information.technology@cysec.gov.cy and attach print screens showing the issue they face.

All email communication with CySEC must include, in the subject, the CIF's full name and its TRS's username.