
TO : **Regulated Entities**

- i. Cyprus Investment Firms ('CIFs')**
- ii. Administrative Service Providers ('ASPs')**
- iii. UCITS Management Companies ('UCITS MC')**
- iv. Self-Managed UCITS ('UCITS')**
- v. Alternative Investment Fund Managers ('AIFMs')**
- vi. Self-Managed Alternative Investment Funds ('AIFs')**
- vii. Self-Managed Alternative Investment Funds with Limited Number of Persons ('AIFLNPs')**
- viii. Companies with sole purpose the management of AIFLNPs**
- ix. Small Alternative Investment Fund Managers ('Small AIFMs')**
- x. Cyprus Stock Exchange**

FROM : **Cyprus Securities and Exchange Commission**

DATE : **11 September 2023**

CIRCULAR NO. : **C596**

SUBJECT : **Russian Federation Federal Laws No. 319-FZ and No. 519-FZ regarding the transfer of Russian securities to Russia ('Forced Transfers')**

The Cyprus Securities and Exchange Commission (the 'CySEC') wishes with this Circular to inform the Regulated Entities on the matter of 'Forced Transfers' as described below:

On 14 July 2022, a new Russian Federation Federal Law No. 319-FZ (the 'Law 319-FZ') was issued, amending Federal Law No. 114-FZ of 16 April 2022. According to Law 319-FZ, the owners of Russian issuers' securities, or persons for whose benefit the securities are held, including local shares, bonds and Eurobonds, which were blocked for transfers by non-Russian custodians due to European Union Council's Decisions and Regulations (EU Restrictive Measures) and/or other international sanctions, could transfer their rights in such securities from an account held with a non-Russian custodian opened with the Russian National Settlement Depository (the 'NSD') to an account opened with a Russian custodian (the 'Forced Transfers'). Furthermore, on 19 December 2022, Federal Law No. 519-FZ was published (came into force on 1 January 2023), which introduced changes to Law 319-FZ, by including additional eligible cases for transfers of Russian securities out of foreign custody services providers. There is a dedicated [FAQs](#) section on the NSD website for applications on Forced Transfers under Law 319-FZ.

Following the enactment of the Law 319-FZ, under these 'Forced Transfers' requests and according to CySEC's understanding, the owners of Russian issuers' securities were able to submit a set of identification and security-holding confirmation documents to the NSD or to Russian investment firms which maintained an account for the Russian issuers' securities with the non-Russian custodian (e.g. Euroclear, Clearstream or any CIF). Upon successful application, the holders of Russian issuers' securities could effectively transfer the custody of such securities to Russia.

In light of the above, CySEC requests the Regulated Entities with customers that proceeded with 'Forced Transfers' to fill-in the requested information included in the attached [Excel file](#) and inform CySEC by **Monday, 25 September 2023**, at the latest, using the email address eu.sanctions@cysec.gov.cy.

Sincerely,

Dr. George Theocharides
Chairman, Cyprus Securities and Exchange Commission