
TO : **Cyprus Investment Firms ('CIFs')**
FROM : **Cyprus Securities and Exchange Commission**
DATE : **April 16, 2024**
CIRCULAR No : **C632**
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-CIF)**

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 Cyprus Investment Firms (the 'CIFs') about the following:

1. Information Requested by CySEC

- 1.1.** A new version of the **Form RBSF-CIF** (the 'Form'), **Version 8**, found in the [Appendix](#), is now issued and its scope is the collection of various statistical information. This Form is issued on an annual basis. CySEC will use this information, for the purposes of conducting statistical analyses, risk management and other purposes.
- 1.2.** The Form must be completed and **successfully submitted** to CySEC, by **all CIFs that were authorised by December 31, 2023**. In this respect, CIFs that were authorised by December 31, 2023, but have not made use of their authorisation must also submit the Form.
- 1.3.** The Form must be **successfully submitted electronically** via the CySEC's Transaction Reporting System ('TRS') **by Friday, May 24, 2024, the latest.**
- 1.4.** The steps that CIFs will have to follow, for the successful submission of the Form to the TRS, can be found [here](#). Upon submission, the CIFs 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, the CIFs must review the Form and ensure that all errors are addressed and corrected, before they digitally sign (only applicable for the Excel files) and re-submit the Form. **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 **Friday, May 24, 2024**. Failure to promptly and duly comply with the above, 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 CIFs, which fail to promptly and duly comply.

2. Additional Information Requested/Amended

In the Sections of the Form listed below, various additional or entirely new information is requested/amended, as follows:

2.1. Section D – Clients’ Assets (new point added)

In this section, a question regarding Off Balance Sheet Assets, which do not fall under categories of ‘Off Balance Sheet Clients’ Financial Instruments’ nor ‘Off balance Sheet Clients’ Money’, has been added (point 2.3 of Section D).

2.2. Section G – Services (new point added)

In this section, a question regarding distribution of structured products has been added (point 5 of section G).

2.3. Section P – Additional information of Clientele – (one point amended)

The information requested regarding the age group of retail clients (point 2) should only consider physical persons **only**.

2.4. Section Q – Customers subject to International Sanctions (new Section)

The law that provides for the Implementation of the Provisions of the United Nations Security Council Resolutions or Decisions (Sanctions) and the European Union Council’s Decisions and Regulations (Restrictive Measures) is Law 58(I)/2016. According to this Law, the Cyprus Securities and Exchange Commission (‘CySEC’) is responsible for the compliance of its supervised entities with the Sanctions/Restrictive Measures which are decided and imposed by the United Nations Security Council and the European Union.

In addition, paragraph 36 of the CySEC’s Directive on the Prevention and Suppression of Money Laundering and Terrorist Financing of 2020, as amended (‘CySEC Directive’), states the obligations of the supervised entities to detect actions that are in breach of Sanctions and Restrictive Measures.

Any definitions that the supervised entities should be aware of, in order to complete the relevant information/elements of the form correctly, are included in Law 58(I)/2016 and in the Prevention and Suppression of Money Laundering and Terrorist Financing Law of 2007, as amended (Law 188(I)/2007). Useful sources of information are also listed in the

relevant section of CySEC's website regarding Sanctions/Restrictive Measures ([Related Material and Useful Links](#)). Relevant useful links/help are also included in the corresponding fields of the RBSF form, as well as in the CySEC's Circulars [C489](#) and [C622](#).

The specific information that will be collected is intended to provide an indication to CySEC regarding the exposure of supervised entities to business relationships with persons subject to Sanctions/Restrictive Measures, as well as international sanctions imposed by third countries. The analysis of the said information may reveal relevant risks, both on an entity level as well as collectively. Those risks may be examined in relevant thematic inspections for compliance with the provisions of Sanctions/Restrictive Measures. In addition, this information, as well as its ongoing feedback, may be used for any reporting obligations of CySEC to other competent authorities on issues regarding Sanctions/Restrictive Measures, e.g. European Commission.

3. General Comments for the Form

- 3.1.** The Form will be available **only** in the **English language**.
- 3.2.** CIFs are required to report data in **Euro**, rounded to the nearest unit.
- 3.3.** Please always ensure that you have the latest version of the Form, i.e. **Version 8**.
- 3.4.** Instructions on the completion of the Form can be found in the **'Instructions'** Worksheet of the Form.
- 3.5.** **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, J, K, L, M, N, O, P, Q at the bottom of the page and Validation Tests Worksheet) are TRUE (Green Colour).**

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

After populating the required Excel fields in the Form, CIFs should name their Excel file in accordance to the following naming convention:

Username_yyyymmdd_RBSF-CIF

The information below explains the naming convention:

- (1) **Username** – is the username of the TRS credentials, which should already be in the possession of the CIFs that have previously submitted any electronic file to the TRS system. This codification should be entered in capital letters.
For CIFs that have not previously requested the TRS credentials they can do so by referring [here](#) where further information are provided about the TRS.
- (2) **yyymmdd** – 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-CIF** – this is the coding of the Form, that it 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 16, 2024	The CIFs can start submitting the digitally signed Form to the CySEC's TRS system.
From April 16 until May 17, 2024	The CIFs can submit any queries that they have for this Circular and the Appendices attached.
May 24, 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-CIF, please submit them **only** in writing, any day **PRIOR to Friday, May 17, 2024**, by sending an email to the address riskstatistics.cifs@cysec.gov.cy.

6.2. Technical Queries on digitally signing and submitting the Form

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

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

Yours sincerely,

Dr George Theocharides
Chairman, Cyprus Securities and Exchange Commission