

TO : **Regulated Entities:**
i. **Undertakings Collective Investment in Transferable Securities (UCITS) - Management Companies**
ii. **Alternative Investment Funds ('AIF') – AIF Managers**

FROM : **Cyprus Securities and Exchange Commission**

DATE : **07 April 2020**

CIRCULAR No : **C376**

SUBJECT : **Suspension of redemption of UCITS and AIF units on 10 and 13 April 2020**

The Cyprus Securities and Exchange Commission (the “CySEC”) wishes herein to inform the Regulated Entities that the redemption of UCITS and AIFs units is suspended for the 10th and 13th of April 2020. It is provided that the suspension refers to UCITS and AIFs that hold assets in transferable securities listed in regulated markets.

CySEC reached to the above after taking into consideration the following:

1. The provisions of article 20(1) of the Open-Ended Undertakings for Collective Investment (UCI) Law (the “UCI Law”) which states that: *“The Securities and Exchange Commission, in exceptional cases and in the unit-holders’ interest, by virtue of a decision and at its initiative, may suspend the redemption of UCITS units.”*
2. The provision of article 43(3) of the Alternative Investment Funds Law (the “AIF Law”) which states that: *“... the Securities and Exchange Commission may:*

(a) decide, as long as it considers that it is to the investors’ interest or the safeguarding of the proper functioning of the market, the suspension of the redemption or repurchase of AIF units, when the provisions of the applicable legislation or of the fund rules or of the instruments of incorporation of the AIF are not complied with or any other agreements that govern its function...”
3. The fact that the 10th and 13th of April 2020 are public holidays in most international stock markets.

4. The fact that the settlement system for payments Target 2 is closed on those days.
5. The need to safeguard the interests of unit-holders of UCITS and AIFs and the proper functioning of the market.

It is noted that the obligations under article 20(2) of the UCI Law and article 43 of the AIF Law continue to apply.

Yours sincerely

Demetra Kalogerou
Chairman of the Cyprus Securities and Exchange Commission