

TO : **Regulated Entities:**

- i. Alternative Investment Fund Managers (AIFMs)¹**
- ii. Sub-threshold Alternative Investment Fund Managers (sub-threshold AIFMs)²**
- iii. UCITS Management Companies³**

FROM : **Cyprus Securities and Exchange Commission**

DATE : **8 April 2020**

CIRCULAR No : **C377**

SUBJECT : **Actions to be taken with regards to Funds Digital Record ('FDR')**

Following [Circular C348](#) on the 'Expansion of CySEC Portal to include Funds Digital Record', which requires Regulated Entities to submit to the Cyprus Securities and Exchange Commission ('**CySEC**'), via the FDR, data relevant to their activities and the Undertakings for Collective Investments ('**UCI**') under their management, CySEC wishes herein, to remind Regulated Entities on the implementation of the FDR and to inform them on the actions that should take further with regards to this matter. In particular:

¹ The term includes a) Cyprus based AIFMs and internally managed AIFs whose total asset under management ('AuM') exceed the thresholds of Articles 4(2)(a) or 4(2)(b) of the Alternative Investment Fund Managers Law ('[AIFM Law](#)') as the case may be, and b) Cyprus based AIFMs and internally managed AIFs whose Total AuM do not exceed the thresholds of Articles 4(2)(a) or 4(2)(b) of the AIFM Law, as the case may be, but have exercised the 'opting-in' possibility of Article 4(6) of the AIFM Law.

² The term includes Cyprus based AIFMs and internally managed AIFs whose total AuM do not exceed the thresholds of article 4(2)(a) or 4(2)(b) of the AIFM Law, as the case may be, and have not exercised the 'opting-in' possibility of article 4(6) of the AIFM Law. For the avoidance of doubt, sub-threshold AIFMs of the Republic comprise of: a) Cyprus Management Companies; b) Cyprus Investment Firms; c) the companies referred to in article 125(1)(b)(v) of the [AIF Law](#); d) Self-managed AIFs under Part II of the AIF Law; and e) Self-managed AIFLNPs under Part VII of the AIF Law.

³ The term includes Cyprus based Management Companies of Common Funds and/or Variable Capital Investment Companies and internally managed UCITS in accordance with the provisions of Law 78(I)/2012 ('[UCITS Law](#)')

1. Submission and Monitoring of Data in the FDR

- i. All data in all relevant sections must be filled in and submitted to CySEC via the Portal, the soonest possible, using the FDR Forms.
- ii. Due skill, care and diligence must be exercised when completing all the Forms, which are relevant to the organisation and business of the Regulated Entities.
- iii. Reported data must be reviewed and revised whenever and where necessary, to ensure they remain complete, accurate and up to date.

2. Compliance Officer Duty

Compliance officers for legislation matters ('the Compliance Officer'), within their duty of ensuring the compliance of Regulated Entities with their regulatory obligations, should take the following actions:

- i. Ensure the Regulated Entity has appointed a person responsible for the submission and revision of the data in the FDR (i.e. person with Digital Certificate).
- ii. Ensure the Regulated Entity has established policies and procedures in order to ensure that the data in the FDR are complete, accurate and up to date, at all times.
- iii. Review the data submitted to CySEC via the FDR, at least once every six months, to ensure that they are complete, accurate and up to date.

It is expected that the outcome of these reviews, will be included in the reports prepared by the compliance officers -on an at least annual basis to the Board of Directors of the Regulated Entities- on the implementation and effectiveness of the overall control/compliance environment.

3. Confirmation regarding the content of the Regulated Entities' FDR

With regards to the first implementation of the FDR, Regulated Entities should, **by the end of July and not later than, 31 July 2020**, submit to CySEC a letter signed by their compliance officer for legislation matters, confirming that the data submitted by the Regulated Entity to CySEC via the FDR, are complete, accurate and up to date ('**the Letter**').

The Letter should be sent via email to supervision.uci@cysec.gov.cy with subject 'Circular C377 – (insert the name of the Regulated Entity)'.

The CySEC expects that Regulated Entities, fully comprehend the importance of maintaining a complete, accurate and up to date FDR and that they continually monitor and take necessary actions to this end.