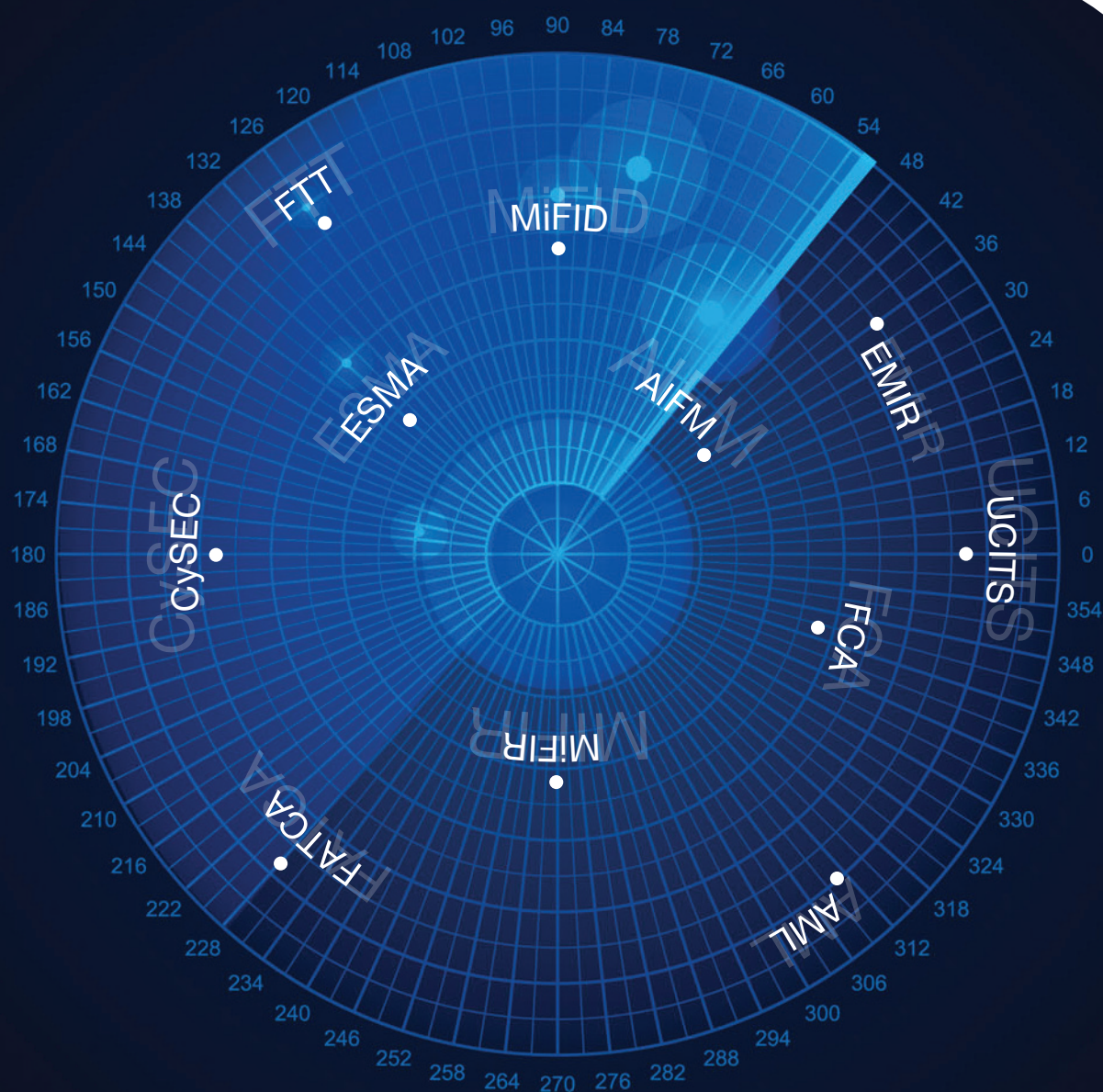


REGULATORY RADAR

Periodical round-up on major regulatory and legislative developments in the EU and Cypriot financial services sector





Index

Developments in the EU Financial Services Legislation Affecting Investment Firms > **03**

Anti-Money Laundering > **07**

EU Financial Transaction Tax (FTT) > **07**

Taxation > **07**

Fund Regulation > **08**

UK – Developments of Interest to Investment Firms > **08**

EU - Developments of interest to CFDs and Binary Options providers > **09**

CySEC Developments > **10**

Acronyms & Definitions used > **14**

Remarks/Disclaimer > **15**

60 Second Summary

1. Developments in the EU Financial Services Legislation Affecting Investment Firms

- **MiFID II / MAR**
 - ESMA continues to issue level 3 guidance in the form of Questions and Answers, Frequently Asked Questions; opinions, reports and other publications
- **EMIR**
 - Mandatory margin requirements for non-cleared OTC derivatives was introduced on a staggered basis: variation margin is required except for physically-settled FX forwards; initial margin applies on dates commencing from 4 February 2017 to 1 September 2020
 - The requirement for variation margin for physically-settled FX forwards is still under review; Member States' national competent authorities may apply regulatory forbearance in the meantime
 - Proposals to revise EMIR are in so-called "trilogue" negotiations

2. Anti-Money Laundering Legislation

- The 5th Anti-Money Laundering Directive must be transposed into national law by Member States by 10 January 2020, with early transposition being urged as part of a new action plan on anti-money laundering. The Directive on combatting money laundering by criminal law will come into force on 2 December 2018

3. EU Financial Transaction Tax (FTT)

- Political decisions on FTT postponed until Brexit outcome is known

4. Taxation

- No update

5. Fund Regulation

- **PRIIPS Regulation**
 - The European Supervisory Authorities have launched a consultation proposing amendments to the Key Investor Document (KID)

6. UK - Developments of Interest to Investment Firms

- Uncertainty relating to Brexit prevails

7. EU - Developments in the interest of CFDs and Binary Options providers

- ESMA renewed its temporary ban of binary options and updated its Q&As. The prohibition relating to binary options runs for a further three months. The existing measures on CFDs also remain in place

8. CySEC Developments

- Notification of CIFs to CySEC regarding their Systematic Internaliser status
- CySEC Circular on External Managers of RAIFs and the registration of RAIFs in the relevant CySEC register
- FinCEN Advisory on the Iranian Regime's Illicit and Malign Activities and Attempts to Exploit the Financial System
- Financial Action Task Force (FATF) Risk-based Approach Guidance for the Securities Sector
- CySEC announcement regarding the recommencement of applications for CySEC certification exams
- CySEC warning regarding individuals impersonating CySEC representatives
- CySEC announcement regarding the legal framework applicable to registered AIFs

1. Developments in the EU Financial Services Legislation Affecting Investment Firms

I. MiFID II

The MiFID II legislation consists of an amending Directive (MiFID II) and a new regulation (the Markets in Financial Instruments Regulation = MiFIR) (together MiFID II). The final texts of [MiFID II](#) and [MiFIR](#) were published in the Official Journal on 12 June 2014. These texts are often referred to as “Level 1” texts; further detail is provided in subsequent, secondary legislation often referred to as “Level 2” texts. The application date of the entire MiFID II and MiFIR legislation was **3 January 2018**.

MiFID/MiFIR data available

ESMA, in cooperation with national competent authorities (NCAs) in the European Economic Area, oversaw the launch of MiFID II and MiFIR on 3 January 2018. A key element in ensuring the new regime functions properly is ensuring the availability of data to market participants – firms and trading venues – and NCAs. This data is available on ESMA's [website](#) and is continuously updated.

ESMA publishes official translations of its Guidelines on MiFID II suitability requirements

On 6 November 2018, ESMA published the [official translations](#) of its Guidelines on certain aspects of the MiFID II suitability requirements (which were published on 28 May 2018).

Investor protection - ESMA supervisory briefing on suitability

On 13 November 2018, ESMA published an updated version of its [supervisory briefing on MiFID II](#) suitability requirements. This publication is an updated version of ESMA's 2012 supervisory briefing and takes into account the content of ESMA's guidelines on certain aspects of the MiFID II suitability requirements published on 28 May 2018 (see the next item below for the publication of the official translations of these Guidelines).

This supervisory briefing covers the following topics:

- determining situations where the suitability assessment is required;
- information to clients about the purpose of the suitability assessment;
- obtaining information from clients;
- arrangements necessary to understand investment products;
- arrangements necessary to understand the suitability of an investment;
- suitability report;
- qualifications of firm staff; and
- record keeping.

ESMA updates to its Questions and Answers (Q&As)

[Q&A on MiFID II and MiFIR transparency topics and market structures topics](#)

On 14 November 2018, ESMA updated its questions and answers (Q&As) documents regarding [transparency topics](#) and [market structures topics](#) under MiFID II. The Q&A provides clarification on the following topics:

- Making data available free of charge 15 minutes after publication (amendment to an existing Q&A);
- Obligations applicable to systematic internalisers in non-Traded on Trading Venue instruments;
- Definition of RFQ (Request for quote) systems;
- Pre-trade transparency in RFQ systems;
- Concept of comparable size in market making agreements and voluntary provision of liquidity.

Q&A on MiFID Investor Protection and Intermediaries

The current Q&A on [investor protection and intermediaries topics](#) is dated 3 October 2018.

Q&A on MiFIR data reporting

The current [questions and answers \(Q&As\) documents on MiFIR data reporting](#) is dated 26 September 2018.

II. MARKET ABUSE REGULATION

The current version of the ESMA [Questions and Answers on the Market Abuse Regulation](#) is dated 12 November 2018. This Q&A clarifies the scope of the trading restrictions for persons discharging managerial responsibilities.

The current version of the ESMA [Questions and Answers on the common operation of the Market Abuse Directive](#) is dated 1 April 2016.

III. EMIR

ESMA EMIR Q&As

On 3 December 2018, ESMA updated its [EMIR Q&A](#) on practical questions regarding EMIR. The updated Q&A provides clarification on a modification to central counterparty (CCP) margin requirements.

ESMA statement on clearing and trading obligations

On 31 October 2018, ESMA published a [statement](#) regarding the challenges that certain groups as well as certain non-financial counterparties above the clearing threshold (NFC+) would face on 21 December 2018 to start Central counterparty (CCP) clearing and trading on trading venues some of their over-the-counter (OTC) derivative contracts.

Under the European Markets Infrastructure Regulation (EMIR), both: (i) the current derogation from the clearing obligation for certain intragroup transactions concluded with a third country entity; and (ii) the phase-in for counterparties in category 4, broadly speaking NFCs+, expire on 21 December 2018, for the interest rate derivative classes denominated in the G4 currencies subject to the clearing obligation.

In relation to (i), ESMA has drafted amendments to extend the derogation expiration to 21 December 2020.

In relation to (ii), the European Commission's proposal to amend EMIR (currently under negotiation, see below) envisages that NFCs+ would be subject to the clearing obligation only in the asset class or asset classes where their level of activity is above the clearing threshold. If these amendments have not entered into

force by 21 December 2018, these counterparties would need to have clearing arrangements in place and to start clearing these transactions.

From a legal perspective, neither ESMA nor competent authorities possess any formal power to dis-apply a directly applicable EU legal text or even delay the start of some of its obligations.

However, ESMA acknowledging the difficulties that certain groups as well as certain NFCs+ would face on 21 December 2018 to start clearing with CCPs and trading on trading venues some of their OTC derivative contracts in the eventuality that the amendments in the draft RTS are not applicable by then, expects competent authorities to not prioritise their supervisory actions towards group entities that benefit from the derogation for intragroup transactions meeting certain conditions on and after 21 December 2018, and towards NFCs+ that are not above the clearing threshold (as prescribed under the current EMIR legislation) in the interest rate derivative asset class on or after 21 December 2018. This is an invitation by ESMA to NCAs to apply regulatory forbearance.

European Supervisory Authorities issue final draft RTS amending margin requirements for non-centrally cleared OTC derivatives

On 18 December 2017, the European Supervisory Authorities (ESAs) published their jointly developed [draft Regulatory Technical Standards \(RTS\) amending the framework of the European Market Infrastructure Regulation \(EMIR\) with regard to physically settled foreign exchange \(FX\) forwards](#). These amendments aim at aligning the treatment of variation margin for physically-settled FX forwards with the supervisory guidance applicable in other key jurisdictions.

The draft RTS amend the risk mitigation techniques related to the exchange of collateral to cover exposures arising from non-centrally cleared over-the-counter (OTC) derivatives with respect to physically settled FX forwards.

The current framework is based on the ESAs' RTS published on 8 March 2016, adopted by the Commission as a Delegated Regulation on 4 October 2016, which entered into force on 4 January 2017. The Delegated Regulation would require, from 3 January 2018 onwards, the mandatory exchange of variation margin for physically-settled FX forwards for all the counterparties within the scope of EMIR.

However, the ESAs have been made aware of the challenges certain end-user counterparties are facing to exchange variation margin for physically settled FX forwards. In particular, the adoption of the international standards (i.e. the framework developed by the Basel Committee on Banking Supervision (BCBS) and the International Organisation of Securities Commissions (IOSCO)) in other jurisdictions through supervisory guidance has led to a more limited scope of application than the one proposed by the ESAs.

In the light of this, the ESAs undertook a review of the RTS and amended them to align the treatment of variation margin for physically-settled FX forwards with the supervisory guidance applicable in other key jurisdictions.

Specifically, the amendment of the RTS and their subsequent implementation would reiterate the commitment to apply the international standards with a more comparable scope to that of other key jurisdictions. In particular, this would imply that the requirement to exchange variation margin for physically settled FX forwards should target only transactions between institutions (credit institutions and investment firms).

The review of the treatment of variation margin for physically-settled FX forwards is ongoing and is part of the overall EMIR review - see EMIR review below. For UK FCA position on regulatory forbearance, which remains in force in the UK, please refer to section 6 below.

ESMA Communications on the clearing and the trading obligation for pension scheme arrangements

EMIR introduced a temporary exemption for pension scheme arrangements (PSAs) from the clearing obligation to allow time for a suitable technical solution for the transfer of non-cash collateral as variation margins to be developed by CCPs, and provided for two possible extensions of this temporary extension. Following the two possible extensions there is no legal mechanism to further extend this temporary exemption under EMIR. The final exemption from the clearing obligation for PSAs under EMIR expired on 16 August 2018.

On 3 July 2018, ESMA issued a [Communication](#) explaining that it was aware of the difficulties that PSAs will face during the timing gap between the expiry of the current EMIR clearing exemption on 16 August 2018 and the day on which the EMIR review comes into force.

The Communication invites national competent authorities to exercise regulatory forbearance (i.e. to not require PSAs and their counterparties to start putting processes in place to clear derivatives for which they are currently exempt from clearing under EMIR) during such timing gap.

In a further [Communication](#) on 8 August 2018, ESMA acknowledged the difficulties that PSAs trading certain OTC derivative contracts will also face during this timing gap, to meet the trading obligation under Markets in Financial Instruments Regulation (MiFIR). ESMA invited national competent authorities to exercise regulatory forbearance (i.e. not require PSAs and their counterparties to start putting processes in place to trade their OTC derivative contracts on trading venues, which they are currently exempt from under MiFIR), during such timing gap. This direction given under the Communication remains in force.

EMIR review - revised rules

The proposed Regulation to amend EMIR, inter alia, to introduce simpler clearing rules, distinct clearing thresholds for small and non-financial firms and temporarily exempt pension funds from the clearing obligation are still in trilogue negotiations which began in June 2018.

The EMIR review also proposes a Regulation amending EMIR as regards the procedures and authorities involved for the authorisation of CCPs and requirements for the recognition of third-country CCPs. The Council agreed its negotiating position on 3 December 2018 so-called “trilogue” negotiations can commence.

2. Anti-Money Laundering

EU action plan on anti-money laundering

On 2 October 2018, the Council of the European Union held a discussion on anti-money laundering and prudential supervision. At that meeting, Member States agreed to mandating the Financial Services Committee to prepare an action plan on anti-money laundering. On 23 November 2018, the Council of the European Union published [draft Council conclusions on an action plan on anti-money](#). Short-term actions are set out in the Annex to the draft Council conclusions.

Key points from the draft Council conclusions include:

- the Council underlines that the fight against money laundering and terrorist financing is a high priority for the EU;
- alleged instances of money laundering involving EU banks underline the need to strengthen the effectiveness of the current framework;
- the adoption of the 5th Anti-Money Laundering Directive (MLD 5) and the Directive on combating money laundering by criminal law are important steps in the prevention of the use of the financial system for the purposes of money laundering or terrorist financing;
- Member States are urged to swiftly complete the implementation of the Fourth Money Laundering Directive (MLD 4) and invited to transpose MLD 5 ahead of the 2020;
- the Council agrees short-term non-legislative actions as detailed in the Annex;
- the Commission, by Q3 2019, is invited to carry out an assessment of longer-term actions required to further improve the prudential and AML frameworks and propose any actions identified as necessary in consultation with Member States; and
- the Commission is invited to report back every six months on the progress made in the implementation of the action plan detailed in the Annex, starting June 2019.

Directive on combatting money laundering by criminal law

On 12 November 2018, the [Directive on combatting money laundering by criminal law](#) was published in the Official Journal. The Directive came into force on 2 December 2018.

3. EU Financial Transaction Tax (FTT)

Political decisions on the FTT are being postponed until the EU's future relationship with the UK is settled. This does not mean the end of FTT negotiations, with technical meetings on scope and further implementation mechanisms still ongoing.

4. Taxation

There was no further public information since September 2016 on FATCA or CRS. Please refer to Issues [12](#) and [10](#) of MAP S.Platis Regulatory Radar for the latest information on FATCA and CRS, respectively.

5. Fund Regulation

UCITS - ESMA updated Q&As

The current ESMA [questions and answers document \(Q&A\)](#) for UCITS is dated 23 July 2018.

AIFMD - ESMA updated Q&As

The current ESMA [questions and answers document \(Q&A\)](#) for AIFMD is dated 4 October 2018.

PRIIPs Key Investor Document Regulation - consultation launched

On 8 November 2018, the Joint Committee of the European Supervisory Authorities (ESAs) published a [consultation paper](#) setting out proposed amendments to the Delegated Regulation on key information documents for packaged retail and insurance-based investment products (PRIIPs KID Regulation).

These amendments relate to the presentation and content of the KID, including methodologies for the calculation and presentation of risks, rewards and costs within the document. The deadline for comments is 6 December 2018. The ESAs intend to submit any legislative amendments in the form of regulatory technical standards to the European Commission for endorsement during January 2019 and will publish a final report including feedback to the consultation.

6. UK – Developments of Interest to Investment Firms

UK court rejects claim for spread betting losses

In *Peter Quinn v IG Index Limited* 2018, the High Court dismissed Mr Quinn's claim that IG Index Limited (IG) had breached its duties to assess appropriateness of spread betting for Mr Quinn and to act in his best interests in accordance with FCA Conduct of Business Sourcebook rules. Mr Quinn had opened an account with IG to undertake "spread betting" and went on to accrue substantial losses. Mr Quinn claimed that IG had failed to correctly assess his appropriateness to open, subsequently reopen and to continue undertaking in "spread betting" transactions. The judge rejected the claim.

Variation margin requirements under EMIR for physically settled FX forwards

On 7 December 2017, the FCA published on their website the following [statement](#) granting regulatory forbearance in relation to variation requirements under EMIR for physically settled FX forwards:

"On 24 November 2017, the European Supervisory Authorities (ESAs) issued a [statement](#) on the variation margin requirements under EMIR for physically settled FX forwards. They confirmed they are in the process of reviewing, and proposing amendments to, the Regulatory Technical Standards (RTS) on risk mitigation techniques for OTC derivatives not cleared by a central counterparty. The ESAs indicated that the changes will look to align the treatment of physically settled FX forwards with the supervisory guidance applicable in other jurisdictions.

We support the ESAs' statement. They recommend competent authorities "generally apply their risk-based supervisory powers in their day-to-day enforcement of applicable legislation in a proportionate manner".

The amendments to the RTS should become increasingly clear over time and we would expect firms to make their plans as a result. Although how they will be amended is not completely clear at this time, the proposals as outlined in the ESAs' statement can be used by firms as an indication of what the amended requirements may look like.

Accordingly, we will not require firms whose physically settled FX forwards are likely to be outside the scope of the amended requirements to continue putting processes in place to exchange variation margin. This approach is subject to any further statements that may be issued by the ESAs or the FCA.

We, in any event, continue to recognise that the exchange of variation margin is a prudent risk management tool."

This FCA statement remains in force.

7. EU - Developments of interest to CFDs and Binary Options providers

ESMA renews its restrictions on binary options for a further three months

On 7 November 2018, ESMA agreed to renew its prohibition on the marketing, distribution or sale of binary options to retail investors, in effect since 2 July 2018, from 2 January 2019 on the same terms as the previous renewal that started to apply on 2 October 2018.

ESMA's existing restrictions on contracts for differences remain in place

ESMA's restriction on the marketing, distribution or sale of contracts for differences (CFDs) to retail clients, in effect since 1 August, continues to remain in place.

ESMA updates its Q&As on temporary product intervention measures on CFDs and binary options

On 9 November 2018, ESMA updated its accompanying [Q&As On ESMA's temporary product intervention measures on the marketing, distribution or sale of CFDs and Binary options to retail clients](#). The Q&A provides clarification on the application of the temporary product intervention measures in relation to the prominence of the risk warning (Question 5.13) and further clarifies what is considered "payments for the purpose of entering into a CFD" (Question 5.2).

8. CySEC Developments

Notification of CIFs to CySEC regarding their Systematic Internaliser Status

On 24 October 2018, CySEC through the issuance of [Circular C283](#), informed CIFs on the notification that should be submitted to CySEC when they fall under the definition of Systematic Internaliser (SI).

In particular, CIFs dealing on own account that meet the definition of SI, should notify CySEC accordingly. It is noted that CIFs are able to opt-in to the SI regime for all asset classes at any time.

CIFs are required to notify CySEC, on the following cases:

- i. when they start acting as SIs in a class of financial instruments,
- ii. when they cease acting as SIs in a class of financial instruments previously notified,
- iii. when they cease acting as SIs in all the classes of financial instruments previously notified,
- iv. when they opt-in to act as SIs,
- v. for CIFs previously opt-in, when they cease to be a SI.

The notification should be submitted to CySEC within two weeks after the publication of aggregated EU-wide trading on instruments by ESMA, which it takes place within a month after the end of each assessment period.

CIFs should perform the assessment for the SI regime on a quarterly basis on the basis of data from the past six (6) months. The assessment period shall start on the first working day of the months of January, April, July and October.

It is noted that CIFs acting as SIs are required to obtain and state in the notification a Market Identifier Code (MIC).

For the subsequent notifications that need to be made, please refer to the table in point 3 of the said Circular.

CySEC Circular on External Managers of RAIFs and the registration of RAIFs in the relevant CySEC register

On 2 November 2018, CySEC issued Circular [C285](#) to inform External Managers of RAIFs on the following:

1. CySEC has posted on its website the [CySEC Directive DI124-01](#) on the registration and de-registration of RAIFs from the RAIFs Register and Form 124-00-01 regarding the application for registration of RAIFs to the RAIFs Register.
2. The information and documentation that has to be submitted with Form 124-00-01 regarding the application for registration of RAIFs to the RAIFs Register.
3. The registration timeline for different forms of RAIFs.
4. The basic provisions of the Law on AIFs that must be taken into consideration by RAIFs.

For further information on the matter, please review Circular [C285](#).

FinCEN Advisory on the Iranian Regime's Illicit and Malign Activities and Attempts to Exploit the Financial System

On 5 November 2018, CySEC through the issuance of [Circular C284](#), informed the Regulated Entities that the Financial Crimes Enforcement Network (FinCEN) issued an advisory on 11 October 2018 regarding the above-mentioned matter, in order to assist financial institutions better detect and report potentially illicit transactions related to the Islamic Republic of Iran (Iran).

The advisory is also intended to assist foreign financial institutions better understand the obligations of their U.S. correspondents, to avoid exposure to U.S. sanctions, and to address the Money Laundering/Financing of Terrorism (ML/FT) risks that Iranian activity poses to the international financial system.

For further information as well as to read the said advisory, you may visit the following links:

- <https://www.fincen.gov/news/news-releases/fincen-issues-advisory-iranian-regimes-illicit-and-malign-activities-and>
- <https://www.fincen.gov/resources/advisories/fincen-advisory-fin-2018-a006>

Further to the above, CySEC reminded Regulated Entities that Iran is considered a high-risk third country which has strategic deficiencies in its AML/CFT regime that pose significant threats to the financial system of the Union.

In addition, Iran was also identified by the FATF as a jurisdiction that has strategic deficiencies and is subject to a FATF call on its members and other jurisdictions to apply enhanced due diligence measures proportionate to the risks arising from the jurisdiction. Hence, Regulated Entities must apply enhanced customer due diligence measures when dealing with natural persons or legal entities established in high-risk third countries.

Financial Action Task Force (FATF) Risk-based Approach Guidance for the Securities Sector

On 5 November 2018, CySEC through the issuance of [Circular C286](#), informed the Regulated Entities that, further to Circular C278, the Financial Action Task Force (FATF) has published a Risk-Based Approach Guidance for the Securities Sector.

This Guidance highlights some of these risks depending on the securities products and services involved and the measures to be put in place to mitigate such vulnerabilities.

The Guidance aims to support the design and implementation of the risk-based approach for securities products and services, by providing specific guidance and examples for securities providers and their supervisors. It highlights that the ML/TF risk assessment should reflect the nature, size and complexity of the business. It also stresses the important role of the senior management in fostering and promoting a culture of compliance with anti-money laundering and counter-terrorist financing measures.

For further information in relation to the Guidance please refer to the following link:

<http://www.fatf-gafi.org/publications/fatfrecommendations/documents/rba-securities-sector.html>

CySEC announcement regarding the recommencement of applications for CySEC certification exams

On 14 November 2018, CySEC [announced](#) to all interested parties that it is accepting the submission of applications for the exams of certified persons for registration in the Public Registry.

The new examinations will be conducted on co-operation with the Aristotle Certification Training & Assessment (ACTA) (the “Examiner”). It is noted that there will not be any changes in the content or nature of the exam.

The examinations will be carried out every Tuesday and Thursday, from the 15th of January 2019, at three (3) new examination centers, in Nicosia. The Examiner will inform each candidate, within a reasonable period of the submission of the application, in regards to the examination center and the details of the examination.

The application procedure can only be performed online, through the following links on CySEC website.

- [Greek examinations](#)
- [English examinations](#)

It is noted, that successful candidates are obligated to register in the Public Registry within two (2) weeks from the date of the Successful Candidates Announcement, through the following link:

<https://www.cysec.gov.cy/en-GB/public-info/certifications-and-seminars/certifications/documents/>

CySEC announcement regarding the legal framework applicable to registered AIFs

Through its [announcement](#), on 29 November 2018, CySEC stressed that RAIFs are AIFs which may operate as ‘registered’ AIFs subject to Part VIII of the Alternative Investment Funds Law of 2018 (“the AIF Law”). According to the relevant provisions in the AIF Law, RAIFs can only be externally managed by an authorised Manager, marketed to professional and/or well informed investors, and their fund rules or instrument of incorporation must expressly provide that they are subject to the provisions of Part VIII of the AIF Law.

Despite RAIFs not requiring authorisation by CySEC, in order to operate they must be registered in the “RAIFs Register” maintained by CySEC, in accordance with article 138 of the AIF Law. In order to register a RAIF in the RAIFs Register, their Manager has to file with CySEC an application for registration, accompanied by the documents and data required by article 138(2) of the AIF Law, and following the procedure of [CySEC Directive DI124-01](#) regarding the registration of RAIFs in, and deletion from, the RAIFs Register. To this end, it should be noted that Circular [C285](#) has also been issued by CySEC with further information on the registration process.

In accordance with article 10 of the Alternative Investment Fund Managers Law of 2013, as amended, (“the

AIFM Law”), ‘An AIFM of the Republic, before implementation, shall notify the Commission, of any material changes to the conditions for initial authorisation, in particular material changes to the information provided in accordance with article 7’.

Furthermore, an AIFM of the Republic applying for authorisation shall provide to CySEC the information of paragraphs (a) – (e) of article 7(2) of the AIFM Law, which reflect the information submitted to CySEC for the registration of RAIFs, as per article 138 of the AIF Law.

Based on the above, CySEC stressed that despite RAIFs are not authorised by CySEC, they are indirectly regulated through their Manager, which has to comply with the provisions of the AIFM Law (or other relevant provisions of the legislation, if not an AIFM) and of the AIF Law in relation to the principles of risk management, conflicts of interest, liquidity management, remuneration, valuation, the appointment of depositary and the exercise of due diligence to ensure that RAIF investors’ rights are protected.

Therefore, any references to “unregulated structures” used in communication/material for the promotion of RAIFs give a false impression and should be revised and amended.

Acronyms & Definitions used

AIF	Alternative Investment Fund under Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers
AIFLNPs	Alternative Investment Funds of Limited Number of Persons
AIFMs	Alternative Investment Fund Manager
AMF	Autorite des Marchés Financiers
ASPs	Administrative Service Providers
CBC	Central Bank of Cyprus
CDS	Credit Default Swap
CFD	Contracts for Difference
CIF	Cyprus Investment Firm
Commission	European Commission
CP	Consultation Paper
CySEC	Cyprus Securities and Exchange Commission
EMIR	European Market Infrastructures Regulation – Regulation (EU) 648/2012 of the European Parliament and Council on OTC derivatives, central counterparties and trade repositories
EBA	European Banking Authority
ESAs	Joint Committee of the European Supervisory Authorities (EBA, ESMA, EIOPA)
ESMA	European Securities and Markets Authority
ETD	Exchange-Traded Derivative
EU	European Union
FCA	UK Financial Conduct Authority
FTT	Financial Transaction Tax
FX	Foreign Exchange
ICF	Investors Compensation Fund
IRS	Interest Rate Swap
ITS	Implementing Technical Standards
LIBOR	London Inter bank Offered Rate
MAD	Directive no.2014/57/EU of the European Parliament and of the Council on criminal sanctions for market abuse
MAR	Regulation no. 596/2014 of the European Parliament and of the Council on insider dealing and market manipulation (market abuse)
MiFID	Markets in Financial Instruments Directive – Directive 2004/39/EC of the European Parliament and the Council
MiFID II	Directive no. 2014/65/EU of the European Parliament and of the Council on markets in financial instruments repealing Directive 2004/39/EC of the European Parliament and of the Council (compromise reached, number to be assigned)
MiFIR	Regulation no. 600/2014 of the European Parliament and of the Council on markets in financial instruments and amending Regulation (EU) No 648/2012 on OTC derivatives, central counterparties and trade repositories [EMIR]
MMF	Money Market Fund
NDF	Non-deliverable forwards
Official Journal	The Official Journal of the European Union
OTC	Over-the-Counter

Q&As	Questions and Answers
PRIIPS	Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products
RAIF	Registered Alternative Investment Fund
RTS	Regulatory Technical Standards
SFT	Securities Financing Transaction
TA	Technical Advice
UCITS	Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009, on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS)
UCITS MCs	UCITS Management Companies
UCITS V	Directive of the European Parliament and of the Council amending Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) as regards depositary functions, remuneration policies and sanctions

Remarks/Disclaimer

(a) This document is made available without any representations or any kind of warranty (whether express or implied by law) to the extent permitted by law. In particular,

MAP S.Platis gives no warranties as to the accuracy of the content or its fitness for your purposes, or that the content does not infringe third party rights. MAP S.Platis does not accept any liability for error or omission in the content.

(b) The content must not be regarded as a substitute for reading or adhering to the provisions of the applicable law. Please note that we cannot confirm that such content will be suitable for all purposes or circumstances in which you may elect to utilise it and that we cannot, and do not, accept any responsibility or liability, nor do we provide any warranty, that such content shall be deemed valid, binding or enforceable under all circumstances or with whatever amendments, alterations, omissions or additions that may be made to such content.

(c) MAP S.Platis is not responsible for how the content is used, how it is interpreted or what reliance is placed on it, whether by you or by any other party.

(d) Under no circumstances will MAP S.Platis be liable for any losses or damage (whether foreseen, foreseeable, known or otherwise) including, but not limited to: (a) loss of data; (b) loss of revenue or anticipated profits; (c) loss of business; (d) loss of opportunity; (e) loss of goodwill or injury to reputation; or (f) losses suffered by third parties however arising (including under negligence).

(e) These terms shall be governed by and interpreted in accordance with the laws of the Republic of Cyprus.

► Contact Us

Mailing Address:

P.O. Box 59521, CY-4010, Limassol, Cyprus

Main Offices in Cyprus

Limassol:

74 Archiepiskopou Makariou C'

Amaranton Court, 3rd Floor, Mesa Geitonia

4003 Limassol, Cyprus

Tel: +357 2535 1335

Fax: +357 2535 1330

Nicosia:

25 Demostheni Severi Avenue

Metropolis Tower, 4th Floor

1080 Nicosia, Cyprus

Tel: +357 2287 7744

Fax: +357 2287 7780

www.mapsplatis.com