

COMMISSION de SURVEILLANCE du SECTEUR FINANCIER

In case of discrepancies between the French and the English text, the French text shall prevail

Luxembourg, 15 January 2010

To all investment firms
incorporated under Luxembourg law

CIRCULAR CSSF 10/433

Re: Amendment of Circular CSSF 05/187 regarding the table "Off-balance sheet commitments" (table III.1.)

Ladies and Gentlemen,

We are pleased to refer to Circular CSSF 05/187 regarding financial information to be submitted to the CSSF by the "other professionals of the financial sector" (PFS) on a periodic basis.

The purpose of this circular is to amend Circular CSSF 05/187 by extending the submission of table "Off-balance sheet commitments" (table III.1.) to all investment firms and to provide further details regarding the information to be submitted in this context.

Until today, the table "Off-balance sheet commitments" (table III.1.), which facilitates the calculation of the capital ratio in accordance with Article 56 of the law of 5 April 1993 on the financial sector, as amended, and which aims to determine the off-balance sheet risks which the institution may incur, applied only to professionals acting for their own account (Article 24-4), underwriters of financial instruments (Article 24-6) and distributors of units/shares in UCIs accepting and making payments (Article 24-7). In order to have all the necessary information for an appropriate permanent supervision, this table must now be transmitted to the CSSF **by all categories of investment firms incorporated under Luxembourg law.**

Table III.1. shall include transactions executed by an investment firm for its own account under sections 1, 2 and 3.

Information regarding omnibus accounts

Headings 4.1. and 4.3. of the table shall be completed in case an investment firm uses, for its activities, one or more omnibus accounts opened in its name on behalf of its clients with depositaries, such as defined in Article 37 of the law of 5 April 1993 on the financial sector, as amended, and in Article 20 of Grand-ducal regulation of 13 July 2007 on the organisational requirements and conduct of business rules in the financial sector.

Private portfolio managers are requested to include the total amount of the clients' assets deposited (assets in cash, sight/term deposits, securities...) on one or more omnibus accounts in section 4.1. and to indicate separately the part "securities".

The other investment firms which do not manage private portfolios (e.g. the commission agents) shall indicate the total amount of the clients' assets deposited on one or more omnibus accounts in section 4.3..

The assets of clients which are on accounts opened separately by each client in his own name with authorised depositaries shall not be included in this table.

Transmission method of table "Off-balance sheet commitments" (table III.1.)

Table "Off-balance sheet commitments" (table III.1.) shall be submitted to the CSSF on a quarterly basis, together with the other financial information regarding investment firms. In accordance with the provisions of Circular CSSF 05/187, the CSSF must receive the quarterly tables at the latest on the 20th of the month following the reference date (the reference dates are 31 March, 30 June, 30 September and 31 December). The methods regarding the electronic transmission of prudential reporting set out in Circular CSSF 08/369 remain applicable.

Luxembourg investment firms which have one or more branches abroad shall also submit this table to the CSSF for each branch separately as well as the overall figures (head office and branches) on a quarterly basis.

The new provisions regarding the table "Off-balance sheet commitments" enter into force as from 31 March 2010.

Yours faithfully,

COMMISSION DE SURVEILLANCE DU SECTEUR FINANCIER

Claude SIMON
Director

Andrée BILLON
Director

Simone DELCOURT
Director

Jean GUILL
Director General

Annexe: Table III.1.

Company: P
 Status:
 Responsible:
 Quarterly periodicity

TABLE III.1.
OFF-BALANCE SHEET AS AT _____

LABEL	AMOUNT (in €)
1. Possible liabilities	
Guarantees	
Others	
2. Commitments	
Forward purchases of assets	
of which: securities	
Forward sales of assets	
of which: securities	
Settlement of spot transactions	
Others	
3. Transactions linked to exchange rates, to interest rates and to other market rates	
3.1. Transactions linked to exchange rates	
3.2. Transactions linked to interest rates	
3.3. Transactions linked to other market rates	
4. Management and underwriting functions	
4.1. Third-party assets under private portfolio management	
of which: securities	
4.2. Underwriting of securities	
4.3. Others	
5. Total Off-balance sheet	