

Regulatory News Alert

CSSF Circular 15/611 and domiciliation agents

On 16 April 2015, the CSSF published Circular 15/611 (the circular) on managing the risks related to the outsourcing of systems that allow the compilation, distribution and consultation of management board/strategic documents (the systems).

The circular intends to draw the attention of all entities subject to CSSF supervision, and especially domiciliation agents, to the risks associated with the outsourcing of these systems often marketed as virtual data rooms or digital board packs. Indeed, these systems are commonly used to compile, distribute and consult documents containing sensitive data, such as strategic company data which are not and might never be released to the public.

For most types of entities (except domiciliation agents), the CSSF considers that it is the choice of the entity, after performing a thorough due diligence, to decide on whether or not to store its data on a system hosted at and operated by a service provider who do not necessarily have a Support PSF license and may even not be located in Luxembourg.

For domiciliation agents, the CSSF considers the activity for which these systems are used, in this case the compilation, distribution and compilation of management board/strategic documents, is a core activity of such a domiciliation agent and, therefore, domiciliation agents are required to choose a service provider that complies with the conditions set out in [Circular CSSF 05/178](#) concerning the outsourcing of IT services to a third party.

In addition, the CSSF would like to remind all entities that it is their responsibility not to disclose any information that is considered confidential under Article 41 of the Law of 5 April 1993 on the financial sector to a service provider who is not subject to professional secrecy obligations.

The circular is already applicable.

How can Deloitte help?

Deloitte assists organizations in addressing compliance of outsourcing initiatives by in-depth analysis of IT regulatory issues and proposition of pragmatic technical and organizational solutions:

- **Compliance analysis:** gap analysis of existing or projected outsourcing initiatives against regulatory requirements
- **Practical recommendations** to achieve and sustain IT compliance
- **Assistance in communications with the Regulator:** preparation or quality review of CSSF application files and participation in meetings with the Regulator

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