

TO : **Reporting Entities:**
i. **Cyprus Investment Firms¹**
ii. **Credit Institutions²**
iii. **Market operators of trading venues**
iv. **Approved Reporting Mechanisms**

: **Issuers³**

FROM : **Cyprus Securities and Exchange Commission**

DATE : **16 October 2017**

CIRCULAR No : **C245**

SUBJECT : **ESMA Briefing regarding the Legal Entity Identifier ('LEI').**

1. Further to C237 and C238, CySEC herein wishes, to inform the Reporting Entities and the Issuers that ESMA published on 9 of October 2017, a briefing regarding the LEI. As stated in ESMA Public Statement, the briefing is part of ESMA's efforts to raise industry awareness and facilitate compliance with the LEI requirements under the European Directive 2014/65/EE ('MiFID II') ahead of its 3 January 2018 launch.
2. CySEC would like to draw the attention of the Reporting Entities to the following paragraph of the briefing:

"The Markets in Financial Instruments Regulation (MiFIR), introduces requirements for a number of various entities to be identified through the LEI:

- *investment firms that execute transactions in financial instruments;*
- *the clients (buyer, seller) on whose behalf the investment firm executes transactions, when the client is a legal entity;*
- *the client of the firm on whose behalf the trading venue is reporting under MIFIR Article 26.5, when the client is a legal entity;*

¹ Including branches of Cyprus Investment Firms established in another member state (article 14 of [Commission Delegated Regulation \(EU\) 2017/590](#)).

² Credit institutions as defined in article 2 of the Business of Credit Institutions Laws of 1997 to 2017 (Law No. 66(I)/1997), which they are allowed to provide/perform investment services/activities.

³ It refers to issuers of financial instruments admitted to a Regulated Market or Traded on a Multilateral Trading Facility or an Organised Trading Facility or for which a request for admission to trading has been made.

- *the person who makes the decision to acquire the financial instrument, when this person is a legal entity e.g. this includes investment managers acting under a discretionary mandate on behalf of its underlying clients²⁰;*
 - *the firm transmitting the order;*
 - *the entity submitting a transaction report (i.e. trading venue, ARM, investment firm); and*
 - *the issuer of any financial instrument listed and/or traded on a trading venue”*
3. Reporting Entities and the Issuers are required to familiarise themselves with the aforementioned briefing and ensure, where relevant, that all entities mentioned above, have a LEI.
4. The Public Statement of ESMA as well as the briefing can be found [here](#).

Sincerely

Demetra Kalogerou
Chairman, Cyprus Securities and Exchange Commission

cc. Cyprus Stock Exchange
Central Bank of Cyprus