

ANNOUNCEMENT

The Cyprus Securities and Exchange Commission announces the following:

1. The European Parliament and the Council of the European Union have adopted and published a Regulation (OJ L 302, 17.11.2009, <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2009:302:0001:0031:EN:PDF>), which lays down provisions in relation to Credit Rating Agencies (CRAs).
2. Credit rating agencies play an important role in global financial markets as their credit ratings are used by investors, borrowers, issuers and governments as part of making informed investment and financing decisions.
3. The competent authority for the licensing and supervision of CRAs in the Republic is the Cyprus Securities and Exchange Commission.
4. Persons established in the Republic and issued credit ratings that are disclosed publicly or distributed by subscription should apply for registration to the Committee of European Securities Regulators (CESR) no earlier than 7 June and no later than 7 September 2010. It is noted that only legal persons can be registered as CRAs.
5. The Investment Firms, credit institutions, insurance and reinsurance undertakings, undertakings for collective investment in transferable securities (UCITS) and institutions for occupational retirement provision, should, from 7 December 2010 and thereafter, to use for regulatory purposes, in particular as a reference for the calculation of their capital adequacy requirements, for solvency purposes or for calculating risks in their investment activity, credit ratings that will be issued only by CRAs established in the European Community and registered in accordance with the abovementioned Regulation.

Wednesday, December 9, 2009