



CYPRUS SECURITIES AND EXCHANGE COMMISSION

TO : **Investment Firms**
FROM : **Cyprus Securities and Exchange Commission**
DATE : **February 6, 2006**
CIRCULAR NO : **IF/01/2006**
FILE NO : **CySEC 6.1.14**
SUBJECT : **Preparing for the implementation of the European Directive 2004/39/EC**

The Cyprus Securities and Exchange Commission ('the Commission'), wishes hereby to encourage the Cypriot Investment Firms ('the CIFs') to begin preparing for the implementation of the [European Directive 2004/39/EC](#) (Markets in Financial Investments Directive) ('the Directive'), which is likely to come into force on 1 November 2007.

For information purposes, the Commission states that the Directive:

1. replaces the European Directive 93/22/EC (Investment Services Directive), which has been implemented by the Investment Firms Laws of 2002-2005 (N148(I)/2002),
2. will have a significant impact on the financial services regulation and how CIFs operate and interact with their customers.

Due to the fact that significant aspects relating to the Directive have yet to be agreed at European level, the Commission cannot be certain at this stage about the final detail of the legislative requirements. Nonetheless, the Commission advises the CIFs to consider the Directive as soon as possible in order to be helped with their planning to meet the implementation challenge.

Yours sincerely

Marios Clerides
Chairman of the Cyprus Securities and Exchange Commission

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