

TO : Members – Custodians of the Cyprus Stock Exchange (CSE)
FROM : Acting General Manager of the Cyprus Stock Exchange
SUBJECT : Proposed Amendments to the Regulatory Decisions of the Cyprus
Stock Exchange
DATE : 26 June 2020
CIRCULAR NO. :12-2020, 10-2020

Dear Sirs,

We would like to inform you that the Council of the Cyprus Stock Exchange has decided - in the context of the implementation of the provisions of Directive MIFID II - to proceed to a number of amendments to the regulatory framework of the Stock Exchange, as follows:

1. Amendment of the CSE Trading Rules (RAA 409/2006 – as amended) – attached herewith.
2. Amendment / replacement of the Regulatory Decision on the Registration of Members, Organisation and Qualifications of Employees (RAA 433/2010 – as amended) – attached with track changes.

The amendments to the above regulatory framework mainly concern the following:

- (a) the procedure / requirements for the acquisition of the Stock Exchange Member status (it is noted that, for this purpose, the relevant Application Form to which the “Know Your Client” Form and the Guide for drafting the candidacy Memorandum and basic organizational principles for candidate members of the CSE Securities Market are attached, has been included in the Regulatory Decision as Annex)
- (b) the Members’ obligations,
- (c) communication of the Members with the CSE, such as to ensure that in urgent cases and in order to facilitate the management of the Market, communication by phone can also be an option, using the designated CSE telephone numbers, equipped with a special system for the recording of conversations, fully in line with the European Regulation on Personal Data,
- (d) the Member’s annual assessment, with the addition of the provision that a “Member loses its Stock Exchange member status if, during the annual audit of

Members, it is established that it fails to comply with important obligations. Nonetheless, should this be the case, the Council may, before reaching a decision, grant the Member concerned reasonable time to comply with its pending obligations”.

In the context of the above, the Cyprus Stock Exchange invites all interested persons to a consultation on these proposed amendments. Interested persons can therefore submit their positions and views to the CSE until the **3rd of July 2020**, by email at info@cse.com.cy, or fax at 22570308, with the reference: “Consultation on Proposed Amendments to the Regulatory Decisions of the Stock Exchange”.

Thank you for your cooperation. We remain at your disposal for anything further.

Yours sincerely

Nicos Trypatsas
Acting General Manager

Enclosures

Cc.: Securities and Exchange Commission
CSFSA
Committee of Participants (Members and Custodians) under Regulation EU
909/2014