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Union of Companies
Athens - Stock Exchange

The Quoted Companies Alliance

ΣΥΝΔΕΣΜΟΣ ΕΙΣΗΓΜΕΝΩΝ ΕΤΑΙΡΕΙΩΝ Χ.Α.
ATHEX LISTED COMPANIES ASSOCIATION

Middle

3 July 2003

Dear Mr. Demarigny,

As a network of organisations representing a total of over 2500 European listed companies, we welcome the possibility to comment on CESR's consultation paper and recognize the need to increase market integrity and to protect investors. However, we would like to raise some common concerns on Market Abuse level 2 implementing measures as set out in CESR's consultation document.

In particular, as regards disclosure of transactions, we believe that the description of "persons discharging managerial responsibilities" is not precise enough and does not adequately define the scope of the group of persons in question. The persons required to submit reports should be limited to those who are members of the issuer's administrative, management or supervisory bodies. Extending the obligation to other persons will not constitute a useful indicator to the market in its investment or divestiture strategy and is more likely to produce uncertainty than enhance transparency. In addition, the consultation paper describes "persons closely associated" as all persons sharing the same household as the person discharging managerial responsibilities. This is unacceptable in the light of the right of privacy. It is suggested that the scope of the duty be limited to spouses and relations in the first degree of the members of the managing bodies who live in the same household.

Mr. Fabrice Demarigny
Secretary General
Committee of European Securities Regulators
10-13 avenue de Friedland
75008 Paris

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A last, it is advisable not to make every single minor transaction subject to the reporting obligation because the market will no longer be in the position to filter out the information it needs to make sound investment decisions (information overkill). For the same reason, it is also necessary to introduce a significant threshold over a certain period that triggers the duty to disclose the transaction and to exempt from the disclosure requirement some transactions such as transfers by inheritance or donation, acquisitions of shares made on the basis of an employment contract or as part of the remuneration. In all these cases we believe that these operations are private and of minor interest for the market participants.

We would be happy to provide any further information you may require and thank you in advance for your consideration of our views.

Yours faithfully,

Prof. Rüdiger von ROSEN
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