



Date: 18 October 2001

Ref.: CESR/01-019

PRESS RELEASE

**FINAL CONSULTATION BY CESR ON THE HARMONIZATION OF CONDUCT OF
BUSINESS RULES**

The Committee of European Securities Regulators (CESR) has issued the following documents for a second round of public consultation:

- the revised proposal for harmonisation of conduct of business rules (ref. CESR/01-015);
- the revised paper on the categorisation of investors (ref. CESR/01-014).

The original proposal for the harmonisation of conduct of business rules (ref. FESCO/00-124b) has been amended following the previous consultation conducted by the Forum of European Securities Commissions (Fesco). An inventory of all comments received was made publicly available on the Fesco web-site (ref. FESCO/01-109). The process of revision of the initial proposal has been described in a cover-note and an explanation of major changes and reasons for change has been given in an annex.

The following are the major changes introduced in the revised European investor protection regime:

- The categorisation of investors has been amended to upgrade the large companies and other institutional investors to the category of professional investors.
- Two different regimes apply to the investment firm-client relationship for investor protection, depending on whether the customer is classed as retail or professional.
- The “retail regime” now includes the areas of cold calling, grey markets and advice.
- Furthermore, CESR proposes to identify a regime to apply to “counterparty relationships”.

CESR will consult publicly, both at national and EU level. Each member will organise national consultation and CESR will arrange open sessions with industry and investors associations. The consultative documents are available on CESR's web-site (www.europefesco.org) with the invitation to submit contributions directly to CESR.

In view of the EU's timetable for the Investment Services Directive, CESR would value receiving comments preferably by **15 November 2001**, or at the latest by the end November.

For further information, please contact:

Fabrice DEMARIGNY, Secretary General :

Tel : + 33 1 53 45 63 61

Fax : + 33 1 53 45 63 60

E-Mail : fdemarigny@europefesco.org

Home Page : www.europefesco.org