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Regarding the provisions quoted in the response below, as far as possible, hyperlinks to these provisions (in the respective language or, if available, in English) are set out in Document CESR/04-075 for each country.

IMPORTANT NOTICE

In the interest of transparency and to inform interested parties, CESR has published the following (together the “Tables”):

- *the Correspondence Tables on the CESR Standards for Investor Protection (Ref. CESR/03-416b to 423b, CESR/03-134/Country);*
- *the Correspondence Tables on the CESR Standards for Alternative Trading Systems (Ref. CESR/03-415b, CESR/03-135/Country);*
- *the Synthesis Tables (Ref. CESR/03-427b and CESR/03-432b);*
- *the List of Alternative Trading Systems currently operating in Member States¹ (Ref. CESR/03-497b);*
- *the explanatory notes and caveats attached to the Tables.*

The Tables were produced by the Members of CESR¹ within the constraints of and solely for the purposes of the CESR Review Panel process of monitoring the status of implementation of the CESR Standards for Investor Protection² and the CESR Standards for Alternative Trading Systems³ in Member States.

The Tables have no legal effect; they do not present any interpretation of, or definitive position on, existing law or regulation in any jurisdiction. The Tables should not be relied upon for any purpose other than the purpose for which they were prepared. In particular, they should not be relied upon as a substitute for, or as guidance on, any aspect of the regulatory system of any Member State or as a defence in supervisory activities or enforcement proceedings; and they cannot be used to restrict competent authorities in taking regulatory or enforcement actions.

The information set out in the Tables is the response of each Member’s self-assessment. For this reason, the content of the Tables regarding a particular Member State has been prepared solely by the relevant Member on a best-efforts basis. (In a next step, the CESR Review Panel is going to conduct a common and collective peer exercise in reviewing the responses from all Members.) In case of discrepancy between the tables containing the responses from all CESR Members and the tables containing the individual responses from a particular CESR Member, the latter should be referred to.

The Tables provide a “snap shot” and will be up-dated on a regular basis to take account of regulatory developments in Member States. Therefore, they cannot be considered as fully finalised or definitive reflections of regulatory provisions in Member States. The Tables should also be read in light of current and future developments in the formulation of the proposed Directive on Markets in Financial Instruments (“ISD2”) and the future Level 2 implementing measures, and without prejudice to the position of any Member State in those developments.

For a more detailed account of the process, methodology and first, interim results, please see the “First Interim Report” by the Review Panel (Ref. CESR/03-414b).

¹ For reasons of simplicity, the term “Member” in this context refers to all participants in the Review Panel, i.e. CESR Members, CESR Observers, and the Polish securities regulators; this applies to the term “Member State” accordingly.

² “A European Regime of Investor Protection - The Harmonization of Conduct of Business Rules” (Ref. CESR/01-014d, April 2002) and “A European Regime of Investor Protection – The Professional and the Counterparty Regimes” (Ref. CESR/02-098b, July 2002).

³ Ref. CESR/02-086b, July 2002.

CORRESPONDENCE TABLE ON STANDARDS FOR ALTERNATIVE TRADING SYSTEMS
(REF. CESR/02-086B)

ICELAND

1. Market Integrity Standards fro Alternative Trading Systems

Standard	Implementing authority(ies)	Implementing measure ⁴	<p align="center">Comments</p> <p>As a general comment the FME would like to note that there are currently no ATS's being operated in Iceland, and the establishment of such a system is not foreseen in the near future. Therefore the FME has not felt overly concerned with implementation of the ATS standards. Moreover, current legislation is in many respects sufficient for the FME to monitor potential ATS's and make requirements according to the ATS standards, without resorting to a regulation especially directed at ATS's. However, a revision of the Act on Stock Exchanges and Regulated OTC markets (Stock Exchange Act) no. 34/1998 is in preparation by a special committee. Proposal for a revised Act is expected to be submitted to the Parliament for approval in the Fall 2004. The FME will bring the subject of the ATS to the Committees attention and seek necessary amendments in the legislation to complete implementation of the ATS standard. However, the subject is not likely to receive a high priority given the fact that ATS's are not currently being operated in Iceland and such operation is not foreseen in the near future.</p>

⁴ Any derogation to the application of the implementing measures should be mentioned.

<p>1. Investments firms should be required by their home state regulatory authority to notify the establishment of a qualifying system. They should also notify the home state regulatory authority (and, where different, the home state regulatory body in that member state responsible for the oversight of markets) of its key features and significant changes to its operation.</p>	Parliament	<p>According to Act on Financial Undertakings No. 161/2002 (Financial Undertakings Act), chapter II. Investment firms are required to apply for an operating licence before commencing operation. The operating licence must indicate what type of authorisation is involved, what activities subject to licence may be carried out on the basis of the same, and what other activities are to be carried out in accordance with Chapter IV of the Act. Moreover, according to the temporary provisions of the Act, a financial undertaking currently operating at the time the Act entered into force, may not subsequently commence new activities unless it notifies the Financial Supervisory Authority of such in advance.</p>	<p>The FME establishment of an ATS would fall within the scope of the Act. A detailed implementation awaits revision of the Stock Exchange Act.</p>
<p>2. Investment firms operating a qualifying system should establish trading arrangements that result in fair and orderly trading.</p>	Parliament	<p>According to art. 9 of the Securities Act an investment firm shall ensure the best possible execution of trading orders, the best possible price for their customers, and the best possible operation in every way. Art. 6: An investment firm shall operate in such a way that its customers enjoy equality regarding information, price and other terms.</p>	<p>A detailed implementation awaits revision of the Stock Exchange Act.</p>
<p>3. An investment firm operating a qualifying system providing trading in an instrument traded on a regulated market must make publicly available, on a reasonable commercial basis, information about quotes and/or orders that the qualifying system displays or advertises to the system users. Similarly, operators must make publicly available, on a reasonable commercial basis, information relating to completed transactions that the system provides to users.</p>	Parliament	<p>Not implemented. However, a provision in art. 34 of the Stock Exchange Act, states that if parties operate a securities market where substantial trading takes place, the FME may demand, as a condition for its continuing operation, that it fulfill the provisions of the Act concerning a stock exchange or regulated OTC market, as appropriate. Besides this provision, the FME can refer to Art. 6 and 9 of the Securities Act (see infra).</p>	<p>A detailed implementation awaits revision of the Stock Exchange Act.</p>
<p>4. Investment firms operating a qualifying system should monitor user compliance with the contractual rules of the system.</p>	Parliament	<p>Not implemented</p>	<p>Implementation awaits revision of the Stock Exchange Act.</p>
<p>5. Investment firms operating a qualifying system should, where their home state regulatory authority requires it for the purposes of investor protection and market integrity, establish arrangements with that authority to facilitate satisfactory monitoring of the markets in the instruments traded and the detection of market abuse.</p>	Parliament	<p>Not implemented.</p>	<p>Implementation awaits revision of the Stock Exchange Act.</p>

<p><i>6. Investment firms operating a qualifying system should be able to demonstrate to the relevant home state regulatory authorities that the system is capable of delivering the proposed service, that there are satisfactory arrangements for the management of the technical operation of the system and that there are satisfactory contingency arrangements in the event of system disruption.</i></p>	<p>FME</p>	<p>Article 4: Investment firms shall operate in accordance with sound and proper business practices, with the integrity of the financial market and the interests of its clients as a guiding light.</p>	<p>Demanding demonstration of the capabilities of the system would fall within the surveillance powers of the FME, as provided in Act No 87/1998 on official supervision of financial operations, Article 8 (The Financial Supervisory Authority shall ensure that the activities of parties subject to supervision are in accordance with laws, regulations, rules or by-laws governing such activities, and that they are in other respects consistent with sound and proper business practices).</p>
<p><i>7. Investment firms operating qualifying systems should ensure that there is clarity of obligations and responsibilities for the clearing (where applicable) and settlement of transactions.</i></p>	<p>FME</p>	<p>Not implemented</p>	<p>Implementation awaits revision of the Stock Exchange Act.</p>

2. Application of Conduct of Business Rules to Alternative Trading Systems

Standard /Rule	Implementing authority(ies)	Implementing measure	Comments
<i>8. Investment firms operating a qualifying system should make clear the nature of the relationship between operator and user.</i>	FME / Parliament	Article 7 of the Securities Act requires Investment firms, which offer a service of permanent nature to their customers, to make a written contract with the customer, entailing the rights and responsibilities of the parties to the agreement.	An access to an ATS does fall within the term “permanent service” in the opinion of the FME. A more detailed implementation awaits revision of the Stock Exchange Act.
<i>9. Investment firms operating a qualifying system should supply sufficient information about the system to enable a user to use the system efficiently and to understand any risks arising in using the system.</i>	FME/Parliament	According to the Securities Act, Article 5, paragraph 4, Investment firms shall give accurate and precise information on their operation and services. And Article 4 states that Investment firms shall operate in accordance with sound and proper business practices, with the integrity of the financial market and the interests of its clients as a guiding light.	FME believes these provisions cover requirement No 9. A more detailed implementation awaits revision of the Stock Exchange Act.
<i>10. Investment firms operating a qualifying system should provide, or be satisfied that there is access to, sufficient publicly available information to enable users to form an investment judgement, taking into account both the nature of the users and the type of instruments traded.</i>	Parliament	Article 5, paragraph 1 of the Securities Act requires investment firms to assess the competence of their clients as investors, and also to provide clear and sufficient information enabling their clients to make an educated investment decision.	