



***CYPRUS FINANCIAL SERVICES FIRMS ASSOCIATION
ANNUAL GENERAL MEETING***

5th of December 2008

Agenda

- 15:30** Arrival and registration of Representatives
- 15:45** Opening of the General Meeting's proceedings
- Annual Report for 2007/ Chairman's address (attached)
 - Approval of the Annual accounts for 2007/ Auditors' appointment for next year
 - Amendments of the Articles of the Association (Special Business - attach)
- 16:30** End of the General Meeting's proceedings

Cyprus Chamber of Commerce and Industry
5th December, 2008



***CYPRUS FINANCIAL SERVICES
FIRMS ASSOCIATION***

Annual Report 2007

Members of the Board of Directors 2007

Christodoulos Ellinas	Chairman
Yiannis Ioannou	Vice President
Petros Economides	General Secretary
Stavros Hadjikyriacou (until 04/05/2007)	Organizational Secretary
Michael Xiouros	Treasurer
Anna Sofroniou (as from 26/10/2006)	Member
Stavros Agrotis (until 31/04/2006)	Member
Costas Toumpouris	Member

Honorary President

Louis Clappas

Administrative Officer

Maria Miltiadou

Legal Advisors

Antis Triantafyllides & Sons

Auditors

KPMG

Annual Report 2007

1. Introduction

The Annual Report for the year 2007 incorporates a review of the Board's actions and activities, as recorded in the directives and decisions of the Annual General Meeting, held on October 26 2006, the Meetings of all Members of the Association that took place during 2007, as well as the Board's meetings. Furthermore, the following annexes are enclosed:

- Steering Committees (Annex 1)
- Meetings of the Board of Directors (attendance list) (Annex 2)
- List of Members (Annex 3)
- Annual Balance Sheet and Income and Expenditure Statement for the year 2007 (Annex 4) (Pdf-file)
- Amendments of the Articles of Association (Annex 5) (Pdf file).

2. Management – Organization – Public Relations

2.1 Management

In the course of the year 2007, the following articles, from the Articles of Association were activated:

“Article Four

Members

- a. Members of the Association can include legal entities, which are authorised to provide investment services in accordance with the Investment Firms Law, as it can be modified.
- b. It is understood that any legal entity, holding an authorisation to provide investment services, and wishing to become a Member of the Association must submit an application to the Board, along with an appropriate registration. It is further understood that legal entities holding an authorisation to provide investment services who are Members of the Cyprus Stock Exchange Members Association automatically become Members of the Association provided that they submit their request in writing to the Association.
- c. Each Member will appoint its representative to the Association and duly notify the Board in writing. The representative must be an executive of the Investment Firm, according to Article 14(2) of the Investment Firms Law 148(I) of 2002 as it has been amended, or any other certified executive, according to the relevant Announcement of the Ministry of Finance, regarding the certification procedures for executives and employees. The nomination of each representative is for a period of three (3) years.”

“Article Seven

Subscription – Right of registration

- a. Each Member is obliged to pay: (a) a lump sum of 250 Cyprus Pounds to register as a Member of the Association and (b) the annual subscription fee which the Board may vary from time to time, towards covering all necessary obligations, operations and any other running expenses of the Association.”

The above paragraphs of Articles Four and Seven of the Articles of Association were activated for the registration of three new Members: Alpha Finance A.E.Π.E.Y., EuroOrient Securities and Financial Services Ltd, NKB Investments Ltd.

“Article Four

Members

... In the case of a representative who ceases to be employed by a Member, the Member must submit to the Association the name of its replacement not later than a week from the dismissal. The new nomination will last for the remaining term of the representative who was replaced.”

The above Article was activated in the cases of: Marios Hadjiyiannakis [Egnatia Financial Services (Cyprus) Ltd], Stavros Fattas [Egnatia Financial Services (Cyprus) Ltd], Christos Kalogeris [Egnatia Financial Services (Cyprus) Ltd], Haig Der Nishanian [Renaissance Securities (Cyprus) Limited], Aida Vardanyan (Nikitas Brokerage Ltd). The Members nominated their new representatives within the time limit provided for in the Articles of Association.

“Article Nine

Obligations and Rights of Members

- c. Suspension of a Member
A Member of the Association is suspended when:
 - (i) It delays paying its subscriptions for more than a three-month period.

The above paragraph was activated in the case of Windsor Brokers Ltd

- (vii) If it ceases to be an Investment Firm.”

The above paragraph was activated in the cases of U.F.G.I.S Capital Management Ltd, U.F.G.I.S Structured Holdings Ltd and Troilos Securities Ltd.

A list of the Members of the Association as at December 31st, 2007, is provided in Annex 3 of this Annual Report.

2.2 Organization

2.2.1 Between January 1st and December 31st 2007, eight (8) Board meetings took place. In the same period four meetings of the Members of the Association who are also Members of the Cyprus Stock Exchange took place. A full meeting of all the Members of the Association took place on September 18th 2007 and a meeting only for the Members of the Association with main activities abroad took place on March 20th 2007.

During the above period, the Board held eleven (11) meetings with the Cyprus Stock Exchange, pertaining to issues related with the Common Trading Platform.

On seven occasions, the Board held meetings with the Cyprus Securities and Exchange Commission. The meetings had the following agendas:

- Transaction reporting/ European Directive 2004/39/EU
- Issues related to the implementation of the MiFID Directive.
- Seminars of CRD, on MiFID Directive and on Money Laundering Law
- Commission charges and annual fees/ Law which provides for the provision of Investment Services, the exercise of Investment Activities, the operation of regulated markets and other related matters.
- Squeeze out and Omnibus Accounts/ problems the Members are facing.

On June 19, 2007 three members of the World Bank visited Cyprus and held a meeting at the Ministry of Finance with the Board of the Association regarding the investment policy of Social Insurance Fund.

On June 27 2007, a representative of the International Monetary Fund visited Cyprus and held a meeting with the Members of the Board of the Association, at the Ministry of Finance. The meeting's purpose was to brief the Board of Directors on their plans to organise a regional conference to be held in Cyprus towards the end of the year. The subject of the conference will be the investment activities of Social Insurance Funds and Pension Funds in the region of the Middle East and Northern Africa. The conference will be co-organised by the World Bank, the International Monetary Fund and the European Union.

On November 29 2007, the Association appeared before the Cyprus Parliament Committee on Legal Affairs regarding the proposed draft law on the Financial Ombudsman. The meeting was postponed for discussion during 2008.

During 2007, seven Circulars were distributed to all Members of the Association, covering the following subjects:

- Consultation paper –translation of MiFID Directive
- Authorisation or Certificate in English
- Information required from FDIC
- Urgent meeting on MiFID/ briefing regarding the proposed draft law transposing European Directive 2004/39/EC
- Quotation for legal documents regarding MiFID
- Quotation for legal documents regarding MiFID
- Quotation for legal documents regarding MiFID (final)

Fifteen Circulars were forwarded during 2007 to Members of the Cyprus Stock Exchange, covering the following subjects:

- Members Guarantee Scheme (Επικουρικό)
- Easter holidays
- Internal manual- MiFID/ extension in submission
- Urgent – collapse of ODL - request to C.S.E. to interrupt its operations
- Agreements - No reason for modification of existing legal documents because of MiFID.
- Transaction Reporting System / briefing
- Meeting next Wednesday re: Competitiveness of C.S.E and pricing of services
- More on Wednesdays agenda
- Briefing on various issues, such as a meeting with C.S.E. and expression of interest for the preparation of legal documents for all Members
- Meeting with C.S.E on November 15th regarding fees
- All members meeting on Friday, November 9, regarding the new fees imposed by C.S.E.
- Code of Ethics
- Voting for Press Conference and for the Commission for the Protection of the Competition
- Invitation for the Press Conference
- Members Guarantee Scheme (Επικουρικό)

One Circular was distributed to the Members of the Association which conduct their activities mainly abroad, regarding problems they are facing under the topic: Meeting on Thursday.

2.2.2 The Income and Expenditure Statement as well as the Balance Sheet for the year of 2007 are presented in Annex 4 (Pdf file).

3. *Plan of actions until the next Scheduled General Meeting*

The Association's Membership Certificate will be sent to all Members by the end of February 2009.

An informational bulletin on the modus operandi of the Investors' Compensation Fund for clients of CIFs, will be available both in Greek and in English, by the end of February.

At least one educational seminar is scheduled for 2009, on the Prevention and Suppression of Money Laundering Activities Law of 2007 and the relevant Cy.S.E.C Directive.

The Annual General Meeting of the Association for the year 2008 is planned to be held in the first half of 2009.

Steering Committees

1. Legislation Committee (Cy.S.E.C Laws and C.S.E. Laws)
2. Common Trading Platform Committee
3. Organizational Committee for Educational issues (Seminars etc)
4. Publication Committee
5. Mass Media Committee
6. Webpage Committee
7. Organizational Committee for special events

Meetings of the Board of Directors
Attendance List

Between January 2007 and December 2007, eight (8) meetings of the Board of Directors took place.

Please note that Mr Stavros Hadjikyriacos withdrew from the Board of Directors on 31st March 2007. Attendance to the meetings was as follows:

Christodoulos Ellinas	8
Yiannis Ioannou	8
Petros Economides	3
Stavros Hadjikyriacos	0
Michael Xiouros	4
Costas Toumpouris	5
Anna Sofroniou	5

List of Members as at 31st December 2007 (alphabetical)

1. Alfa Capital Holdings (Cyprus) Limited
2. Alpha Finance A.E.Π.E.Y. (as from 3rd of March 2007)
3. Alpinex Financial Services (Cyprus) Limited
4. Argus Stockbrokers Limited
5. Atlantic Securities Limited
6. UniCredit Aton International
7. CISCO (The Cyprus Investment and Securities Corporation) Limited
8. CLR Securities and Financial Services Ltd
9. DFG Capital (Cyprus) Ltd
10. EFG Eurobank Χρηματοπιστηριακή Α.Ε.Π.Ε.Υ.
11. Egnatia Financial Services (Cyprus) Ltd
12. EuroOrient Securities and Financial Services Ltd (as from 22nd of August 2007)
13. Fenway Services Ltd
14. Global Capital Securities & Financial Services Ltd
15. Hellenic Bank (Investments) Ltd
16. I.C.F.I (Cyprus) Ltd (until 29th of October 2007)
17. Laiki Investments (Financial Services) Public Company Ltd
18. Mega-Equity Securities and Financial Services Ltd
19. National Bank of Greece (Cyprus) Ltd
20. Nikitas Brokerage Ltd (TD Investments Limited)
21. NKB Investments Ltd (as from 22nd of August 2007)

22. Renaissance Securities (Cyprus) Limited
23. Reserve Invest (Cyprus) Ltd
24. Sharelink Securities and Financial Services Ltd
25. U.F.G.I.S Capital Managements Ltd (until 19th of November 2007)
26. U.F.G.I.S Structured Holdings Ltd (until 19th of November 2007)
27. U.F.G.I.S. Trading Ltd
28. Windsor Brokers Ltd (until 31st of March 2007)
29. Troilos Securities Ltd (until 08th of May 2007)
30. Cooperative Central Bank Ltd