



**Direction des Prestataires,
de la Gestion et de l'Épargne**

**Service des Prestataires
et des Produits d'Épargne**

Réf : BH/091-06

N° AMF : 02876

Mr Lionel FRETZ
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ROYAUME-UNI

Paris, le 05 AVR. 2006



Dear Sir,

The Banque de France has communicated to the Autorité des marchés financiers your notification made according to the article 18 of the Investment Services Directive and to the article L. 532-18 of the French Code monétaire et financier, concerning the providing of investment services under the freedom to provide services in France.

Established by the Loi de Sécurité Financière n°2003-706 of 1st August 2003, the Autorité des marchés financiers was formed from the merger of the Commission des Opérations de Bourse (COB), the Conseil des marchés financiers (CMF) and the Conseil de Discipline de la Gestion Financière (CDGF).

The Autorité des marchés financiers is an independent public body with legal personality and financial autonomy. Its remit is to safeguard investments in financial instruments and in all other savings and investment vehicles, ensure that investors receive material information, maintain orderly financial markets. The Autorité des marchés financiers also lends its support to financial market regulation at the European and international levels.

The AMF establishes rules of conduct and professional obligations that must be observed by persons authorised to provide investment services or advice on financial investments. It registers and approves management companies at the incorporation stage, assessing the skills, fitness and propriety of corporate officers as well as the adequacy and suitability of the company's resources. The AMF also establishes conduct-of-business rules for custody and administration of financial instruments.

The article R. 532-18 of the French Code monétaire et financier, taken in application of the article 18.2 of the above-mentioned Directive, stipulates that the AMF must inform of the applicable rules of good conduct all providers of investment services wishing to carry out business in France.

I am therefore drawing your attention on the provisions of AMF General Regulation which your company in conducting business in France is required to observe as well as the applicable legislative provisions.

We specify that the UCITS was excluded from the above-mentioned Directive.

The marketing in France of UCITS is the subject of a specific legislation :

- if the UCIT is under French law, it must be first approved by the Autorité des marchés financiers,
- if the UCIT is not under French law, it must, before its marketing in France, be authorized by the Autorité des marchés financiers.

We inform you that the AMF shares with other authorities the responsibility for supervising direct marketers.

The Loi de Sécurité Financière recasts the regulatory regime for the unsolicited promotion of banking and financial products and services ("cold calling"). It entrusts the supervision of persons engaging in this activity to the AMF, the Comité des établissements de crédit et des entreprises d'investissement (CECEI) and the Comité des entreprises d'assurance (CEA), according to their respective jurisdictions.

Would you please find below the list of the texts which are applicable in France, first about the activities of investment services and in a second part about the UCITS and their marketing.

Sincerely yours.

For the Department head,
Jean-Yves GERARDIN



Encl.

<p style="text-align: center;">TEXTS APPLICABLE TO ACTIVITIES OF INVESTMENT SERVICES AND TO MARKETING OF UCITS</p>

The providers of investment services wishing to establish a branch in France must communicate to the Autorité des marchés financiers (Service des Prestataires et des Produits d'Epargne) the identity and the coordinates of an interlocutor.

The system of professional cards is not applicable to the providers of investment services wishing to carry out business in France under the freedom to provide services or by the establishment of a branch.

The texts mentioned below are for your information ; the investment services providers are invited to follow with attention all the developments concerning the standards which are applicable to them.

I - TEXTS APPLICABLE TO ACTIVITIES OF INVESTMENT SERVICES

1. Legislative texts

- Act "Loi de Sécurité Financière" n°2003-706 of 1st August 2003, provisions of which are codified in the legislative part of the French Code monétaire et financier, notably Book V – Part III.

2. Statutory texts

- Book III – Part IV of the statutory part of the Code monétaire et financier, notably articles D. 341-1 to D. 341-15 ;
- Book V – Part III of the statutory part of the Code monétaire et financier, notably articles R. 532-1 to R.532-29 ;
- Arrêté of 28th September 2004 concerning the *carte de démarchage* ;
- AMF General Regulation¹, notably Book III.

II - TEXTS APPLICABLE TO MARKETING OF UCITS

1. Legislative texts

- Act "Loi de Sécurité Financière" n°2003-706 of 1st August 2003, provisions of which are codified in the legislative part of the French Code monétaire et financier, notably Book III, Part IV ;
- Loi n°88-1201 of 23rd December 1988 modified relative to the *OPCVM et portant création des fonds communs de créances*, provisions of which are codified in the legislative part of the French Code monétaire et financier, notably Book II – Part I.

2. Statutory texts

- Book II – Part I – Chapter IV of the statutory part of the French Code Monétaire et Financier : articles R. 214-1 and following ;

¹ AMF General Regulation is available on the website : <http://www.amf-france.org>

- Book IV – Part I of the statutory part of the Code monétaire et financier : articles D. 411-1 and 411-2 ;
- Book V – Part III of the statutory part of the Code monétaire et financier, notably articles R. 532-1 to R.532-29 ;
- Arrêté of 6th September 1989 modified taken in application of the loi n°88-1201 of 23rd December 1988 ;
- Arrêté of 28th September 2004 concerning the *carte de démarchage* ;
- AMF General Regulation², notably Book IV.

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Besides are applicable to the operations made in France, all the texts in protection of the saving, the transparency and the integrity of markets as well as, more generally, civil law, commercial law ...

AMF General Regulations and a collection of texts relative to the operations and financial markets are published and updated by the Autorité des marchés financiers on the Internet network (<http://www.amf-france.org>).

² AMF General Regulation is available on the website : <http://www.amf-france.org>