TO	: **Cyprus Investments Firms**
FROM	: **Cyprus Securities and Exchange Commission**
DATE	: **July 14, 2015**
CIRCULAR No	: **C079**
SUBJECT	: **Legislation regarding the publication of a prospectus when offering Binary Options services in the territory of Belgium**

At the request of the Financial Services Authority of Belgium (the 'FSMA'), the Cyprus Securities and Exchange Commission (the 'CySEC') hereby draws the attention of the Cyprus Investment Firms (the 'CIFs'), which provide investment services relating to Binary Options through branch or cross border in the territory of Belgium, to the Belgian Law of 16 June 2006 on public offers of investment instruments and admissions of investment instruments to trading on regulated market (the "Belgian PO Law").

Pursuant to the Belgian PO Law, any public offer of investment instruments (as defined therein) made in the territory of Belgium is subject to the obligation to publish a Prospectus. For more information as to the above requirement, CIFs are directed to the note issued by the FSMA on 25/07/2014, entitled "Communication for undertakings that distribute non-mainstream financial products (such as CFD's, binary options, etc.) online". The CySEC draws the attention of CIFs particularly to page 4 of the said note.

The CySEC notes that, in order for any CIF to offer cross-border services in Belgium, the said CIF should take all necessary steps to ensure its compliance with all respective laws, rules and regulations that govern the provision of investment services and activities in the said jurisdiction.

Therefore, in the event that a CIF is offering cross-border investment services relating to binary options in the territory of Belgium, such CIF is urged to **immediately proceed to the issuance of a Prospectus which must be approved by the FSMA**, as per the provisions of the Belgian PO Law, or **immediately cease offering such services in the territory of Belgium**.

Yours sincerely

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Chairman of the Cyprus Securities and Exchange Commission

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