

PRESS RELEASE

€200.000 administrative fine on IC Markets (EU) Ltd

The Cyprus Securities and Exchange Commission has identified violations in matters concerning leverage through a group entity in a third country

NICOSIA, 19 July 2024 – The Cyprus Securities and Exchange Commission (CySEC) has announced a decision to impose a fine amounting to €200.000 on the Cyprus Investment Firm (CIF), IC Markets (EU) Ltd ([the board decision](#)).

The Board of CySEC reached this decision after identifying that the CIF participated, knowingly and intentionally, in activities that had as their objective or resulted in the circumvention of the requirements related to the payment of initial margin protection of the investors. This resulted in leverage of up to 1:1000, being facilitated through a third country entity that belonged to the same group of companies in an attempt to avoid the legal obligation for maximum leverage of 1:30.

In imposing the administrative fine, CySEC took into account, among other factors, the importance attached to ensuring that persons subject to its supervision fully comply with the provisions of the Law. IC Markets (EU) Ltd did not ensure the protection of its clients' interests, a matter to which CySEC attaches particular importance.

CySEC also took into account the long duration of the infringement, the financial strength of the CIF and the fact that in 2021 IC Markets (EU) Ltd committed the same infringement, resulting in a repeated behavior, despite having previously assured CySEC of taking the corrective measures. Another factor is the seriousness given to CIFs' obligations to avoid the circumvention of the restrictive measures referred to the Directive DI87-09, which were established for the protection of investors.

The Chairman of CySEC Dr George Theocharides, said:

“CySEC takes any misconduct by supervised entities seriously and is determined to bring non-compliant operations to a halt in order to enhance investor protection and the responsible growth of the investment sector.”

ENDS

CySEC clarifies that the content of this press release is strictly informative and does not intend to substitute the CySEC Board's decision in any way.

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