

29th May 2020

CYSEC Board Decision

Announcement date:	29.05.2020	Board decision date:	09.03.2020
Regarding:	Indication Investments Ltd		
Legislation:	The Investment Services and Activities and Regulated Markets Law		
Subject:	Settlement €160.000		
Judicial Review:	N/A	Judicial Review Ruling:	N/A

The Cyprus Securities and Exchange Commission («CySEC») would like to note the following:

CySEC, under article 37(4) of the Cyprus Securities and Exchange Commission Law of 2009, may reach a settlement agreement regarding any violation or possible violation, act or omission for which there is reasonable ground to believe that is in violation of the provisions of legislation used by CySEC to supervise its obliged entities.

CySEC reached a settlement agreement with the CIF **Indication Investments Ltd** («the Company») for possible violations of the Investment Services and Activities and Regulated Markets Law of 2017 – L.87(I)/2017 («the Law»). The investigation, which took place at the Company's premises on the 9th of November 2018, related to the following regulatory requirements supervised by CySEC:

1. Articles 28(1)(a), 28(7) and 28(8) of the Law, regarding the CIF's obligation to execute orders on terms most favorable to the client.
2. Articles 22(1) regarding the conditions for CIF authorisation. Explicitly, articles 17(3)(a) and 17(4) of the Law, regarding the CIF's obligation towards its organisational requirements.
3. Article 40 of Regulation (EU) No 600/2014, regarding ESMA temporary intervention powers. Explicitly, ESMA's Decision (EU) 2018/796, for the temporary restriction on contracts for differences in the Union in respect of retail clients. Specifically:
 - (a) ESMA's Decision (EU) 2018/796, regarding the provision of maximum leverage to retail clients, up to 1:30, at specified products.
 - (b) Article 2 of the ESMA's Decision (EU) 2018/796, regarding the margin close-out protection; a requirement to market, distribute or sell CFDs to retail clients.

The settlement reached with the Company, regarding the possible violations of its regulatory obligations, amounts to **€160.000**. The Company settled the amount of €160.000.

All amounts payable relating to settlement agreements are considered revenue (income) of the Treasury of the Republic and do not constitute income of CySEC.