

18 May 2023

**CYSEC Board Decision**

<b>Announcement date:</b>	18.05.2023	<b>Board decision date:</b>	27.03.2023
<b>Regarding:</b>	Stone Edge Capital Ltd		
<b>Legislation:</b>	The Investment Services and Activities and Regulated Markets Law The Prevention and Suppression of Money Laundering and Terrorist Financing Law		
<b>Subject:</b>	Withdrawal of CIF licence		
<b>Judicial Review:</b>	<a href="#">Click here</a>	<b>Judicial Review Ruling:</b>	<a href="#">Click here</a>

The Cyprus Securities and Exchange Commission ('CySEC') announces that, on its meeting of 27<sup>th</sup> March 2023, decided to **withdraw** the Cyprus Investment Firm authorisation of **Stone Edge Capital Ltd** (LEI 213800PZFB9VV8FNWB30) ('the Company') with number **311/16**, pursuant to sections 8(1)(c) and 71(6)(c) of the Investment Services and Activities and Regulated Markets Law of 2017 ('the Law 87(I)/2017') and section 59(6)(a)(iii) of the Prevention and Suppression of Money Laundering and Terrorist Financing Law of 2007.

The CySEC reached the above decision, as the Company did not comply with:

1. the section 22(1) of Law 87(I)/2017 due to the Company's non-compliance with the licensing condition set out in section 17(6) of the Law 87(I)/2017, as further elaborated in section 17(7)(a) of the said law and section 76 of the Regulation 2017/565 (organizational requirements).
2. the section 58(e) of the Prevention and Suppression of Money Laundering and Terrorist Financing Law of 2007, as it was in force (the 'Law 188 (I)/2007') and paragraph 26 of CySEC's Directive of Prevention and Suppression of Money Laundering and Terrorist Financing Law, as it was in force, due to failing to apply adequate and appropriate systems and procedures in relation to the thorough examination of any transaction which is considered by its nature to be particularly susceptible to be linked to money laundering or terrorist financing offences and in particular complex or unusually large transactions and all unusual types of transactions carried out without an apparent economic or clear legal justification.
3. the section 58(c) of the Law 188(I)/2007, as it did not apply adequate and appropriate systems and procedures regarding the internal reporting and reporting to MOKAS, since its systems and procedures did not comply with the provisions of section 69(1)(a) of the said law.

Due to the withdrawal of the Company's authorisation, the Company should, among others:

- Return all funds and financial instruments belonging/attribution to its clients, including any profits.
- Examine and resolve all clients' complaints submitted to the Company.
- Ensure it does not provide investment and ancillary services.

mth/cg