

ANNOUNCEMENT

The Cyprus Securities and Exchange Commission Board informs the investors that during its board meeting dated 09 June 2009, it decided to impose a total administrative fine of €30.000 (thirty thousand) to the company 'Solid Financial Services Ltd' ('the Company') for the following:

1. Violation of articles 18(2)(j) and 28(1) of the Law which provides for the Provision of Investment Services, the Exercise of Investment Activities, the Operation of Regulated Markets and other related matters and paragraph 20(1) of the Directive OΔ-144- 01 – Non deposit of client's funds at accounts of specific organisations that indicate 'clients funds' (€3.000 fine)
2. Non compliance with articles 18(2)(g) and 28(1) of the Law – No records of clients' transactions (€2.500 fine)
3. Non compliance with article 43(1)(a) of the Law – No maintenance of clients' transactions records (€2.500 fine)
4. Non compliance with article 36(1)(b)(ii) of the Law and paragraphs 7(1) and 7(2) of the Directive OΔ-144- 02 – No information to all clients regarding the categorization in which they were enlisted (€5.000 fine)
5. Non compliance with article 36(1)(b)(ii) of the Law and paragraph 10 of the Directive OΔ-144- 02 – No provision to the clients of appropriate guidance regarding the risks involved in their investments (€5.000 fine)
6. Non compliance with article 36(1)(c), (d), (e) of the Law and paragraphs 14(1), (3), (4), (5), 15 and 16 of the Directive OΔ-144- 02 – No information gathered regarding knowledge and experience of the clients (€10.000 fine)
7. Non compliance with article 6(9) of the Law – Conducting other business without prior permission (€2.000 fine)

For the determination of the above administrative fines, the Commission has taken into consideration, among other, the following:

- The emphasis that the Commission gives in ensuring that the persons under the Law's provisions are in full compliance.
- The seriousness given to ensuring the interests and rights of an Investment Firm's clients.
- The seriousness that the Commission gives to the fact that the Cypriot Investment Firms ought to operate within their license limitations.

Friday, 18 September 2009