

**11 December 2020**

**CYSEC Board Decision**

<b>Announcement date:</b>	11.12.2020	<b>Board decision date:</b>	02.11.2020
<b>Regarding:</b>	Hoch Capital Ltd		
<b>Legislation:</b>	The Investment Services and Activities and Regulated Markets Law		
<b>Subject:</b>	Settlement €260.000		
<b>Judicial Review:</b>	N/A	<b>Judicial Review Ruling:</b>	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, has the power to reach a settlement for any violation or possible violation, act or omission for which there is reasonable ground to believe that it took place in violation of the provisions of CySEC's supervised legislation.

A settlement has been reached with the CIF **Hoch Capital Ltd** («the Company»)- Under examination for voluntary renunciation of the authorisation, for possible violations of the Investment Services and Activities and Regulated Markets Law of 2017 – L.87(I)/2017 («the Law»). More specifically, the investigation for which the settlement was reached, involved assessing, for the period January 2018 until April 2020, the Company's compliance with:

1. Article 5(1) of the Law, regarding the requirement for CIF authorisation.
2. Article 22(1) regarding the conditions for CIF authorisation. Explicitly, articles 9(2), 10(1)(a), 17(1), 17(2) and 17(6) of the Law, regarding the management body, the governance arrangements, the organisational requirements and the sufficiency of record keeping with which a CIF is required to comply.
3. Article 24(1) of the Law, regarding the conflicts of interest.
4. Articles 25(1) and 25(3) of the Law, regarding general principles and information to clients.
5. Article 28(1)(a) of the Law, regarding the CIF's obligation to execute orders on terms most favorable to the client.
6. Article 93(2) of the Law, regarding the obligation to submit correct, complete and accurate information.

The settlement reached with the Company, regarding the possible violations, is for the amount of **€260.000**. The Company has paid the amount of €260.000.

It is noted that all amounts payable from settlement agreements are considered revenue (income) of the Treasury of the Republic and do not constitute income of CySEC.