

19 April 2024

CYSEC Board Decision

Announcement date:	19.04.2024	Board decision date:	09.10.2023
Regarding:	MCA Intelifunds Ltd		
Legislation:	The Investment Services and Activities and Regulated Markets Law		
Subject:	Total fine €360.000		
Judicial Review:	Click here	Judicial Review Ruling:	Click here

The Board of the Cyprus Securities and Exchange Commission ('CySEC') wishes to inform the public that, at its meeting on the 9th of October 2023, decided to impose a total administrative fine of **€360.000** to **CIF MCA Intelifunds Ltd** (LEI: 549300T7P7P81CLNTW42) ('the Company') for violations of The Investment Services and Activities and Regulated Markets Law of 2017, as in force ('the Law') following an inspection conducted to the Company in September 2022.

Particularly CySEC imposed to the Company:

- A.** A fine of **€80.000** for violation of section 22(1) of the Law, as the Company did not comply at all times with the authorization condition of Section 17(2) of the Law, as specified further in Articles 22(1) and 22(2)(a) of Delegated Regulation (EU) 2017/565, as the Company did not establish adequate policies and procedures sufficient to ensure its compliance with its obligations under the Law.
- B.** A fine of **€150.000** for violation of section 25(1) of the Law, as the Company did not act honestly, fairly and professionally when providing investment services to clients, in accordance with the best interests of its clients.
- C.** A fine of **€25.000** for violation of section 25(2)(a)(iii) of the Law, as the Company, which manufactures financial instruments (CFDs) for sale to clients, did not take reasonable steps to ensure that the financial instruments are distributed to the identified target market.
- D.** A fine of **€25.000** for violation of section 25(2)(b) of the Law, as the Company, which manufactures financial instruments (CFDs) for sale to clients, did not assess the compatibility of the financial instruments it offered or recommended to, with the needs of the clients to whom it provided investment services, by also taking into account the identified target market of end clients, and did not ensure that those financial instruments are offered or recommended only when this is in the interest of the client.

- E.** A fine of **€60.000** for violation of section 26(3)(a) of the Law, as specified further in Article 56(1) of Delegated Regulation (EU) 2017/565, as the Company did not require the clients or potential clients to provide all necessary information regarding that person's knowledge and experience in the investment field, relevant to the specific type of product offered, so as to enable itself to assess whether the product envisaged is appropriate for the client.
- F.** A fine of **€20.000** for violation of section 26(3)(b) of the Law, as the Company did not properly warn the client or the potential client, on the basis of the information received under paragraph (a) of section 26(3), that the product or service was not appropriate for him/her.

Full justification of the CySEC's decision is available in the Greek text of the announcement.

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