

PRESS RELEASE

CySEC imposes a fine of one million euro on Itrade Global (Cy) Ltd

Penalty issued over company's failure, among other, to implement policies and procedures to monitor the activities of its Tied Agent in Spain

NICOSIA, April 13, 2023 – The Cyprus Securities and Exchange Commission (CySEC) announced its decision to impose a fine of one million euro (€1.000.000) on the Cyprus Investment Firm Itrade Global (Cy) Ltd.

CySEC reached this decision due to the Company's infringement of multiple provisions of the Investment Services and Activities and Regulated Markets Law of 2017. In particular, among other, Itrade Global failed to implement policies and procedures to monitor the activities of its Tied Agent in Spain, when acting on its behalf. The Law provides that CIFs remain fully and unconditionally responsible for any action or omission on the part of their Tied Agents acting on their behalf.

CySEC found that the Company through its Tied Agent did not take appropriate steps to identify and to prevent or manage conflict of interests, did not act fairly, honestly and professionally when providing investment services to clients and did not ensure that all information addressed to clients was fair, clear and not misleading.

CySEC found that the Itrade Global through its Tied agent failed to ensure that natural persons providing information about financial instruments, investment services or ancillary services to clients on behalf of the Company possessed the necessary knowledge and competence to fulfil their obligations under the Law. Further, it did not request clients to provide the appropriate information regarding their knowledge and experience in order to assess whether the offered product or service was appropriate for them. CySEC's decision also found Company's infringements with articles of the Law pertaining the compliance function, the product approval process and its obligation for keeping records of telephone conversations.

CySEC would like to acknowledge the assistance provided by the National Securities Market Commission (CNMV).

The Chairman of CySEC Dr. George Theocharides, said:

“CySEC takes any misconduct by supervised entities seriously and is determined to bring non-compliant operations to a halt in order to enhance investor protection and the responsible growth

of the investment sector. CIFs are urged to ensure that they fully comply with their regulatory obligations, with an emphasis on strengthening their compliance function and reevaluating the competence of the Staff, in particular the personnel of their sales and marketing functions. CySEC has a strong commitment to the responsible growth of the investment sector, underpinned by rigorous supervision to safeguard investor protection.”

ENDs.