

21st May 2019

CYSEC Board Decision

Announcement date:	21.05.2019	Board decision date:	15.04.2019
Regarding:	IQ Option Europe Ltd		
Legislation:	The Investment Services and Activities and Regulated Markets Law, The Prevention and Suppression of Money Laundering Activities Law		
Subject:	Settlement €450.000		
Judicial Review:	N/A	Judicial Review Ruling:	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 **IQ Option Europe Ltd** ("the Company") for possible violations of The Investment Services and Activities and Regulated Markets Law (L.144(I)/2007) and The Prevention and Suppression of Money Laundering Activities Law (L.188(I)/2007) and of the Directives issued thereof. More specifically, the inspections for which the settlement was reached, involved assessing the Company's compliance with:

1. As regards to L.144(I)/2007:
 - i. Articles 18(2)(b) and 29 of the said Law and paragraphs 22 and 23 of Directive DI144-2007-01 according to which a CIF must maintain and operate effective organizational and administrative arrangements relating to conflicts of interest.
 - ii. Article 36(1)(d) the said Law and paragraphs 15 and 16 of Directive DI144-2007-02 regarding the requirements for the assessment of appropriateness of services / products that the CIF offers to its clients.
 - iii. Article 38(1) the said Law and paragraph 23 and Directive DI144-2007-02 regarding the requirements of the assessment of due skill, care and diligence to be carried out on a continuous basis for the selection of execution venues.

2. As regards to L.188(I)/2007, with the articles related to implementation of adequate and appropriate systems and procedures in relation to customer identification and customer due diligence, record-keeping, assessing and obtaining information on the purpose and intended nature of the business relationship, the implementation of enhanced due diligence measures, the conducting of ongoing monitoring of the business relationship including scrutiny of transactions undertaken throughout the

course of that relationship and ensuring that documents, data or information held are kept up-to-date.

The settlement reached with the Company for the possible violations is for the amount of **€450.000**. The Company has paid the amount of €450.000.

It is noted that the amounts due to settlement agreements are calculated as revenue (income) to the Treasury of the Republic and not as an income for CySEC.