

PRESS RELEASE

CySEC imposes a fine of four hundred thousand euro on Goldenburg Group Ltd

Penalty issued over company's failure to implement policies and procedures to monitor the activities of its employees and those of the company acting as its marketing agent in Slovenia

NICOSIA, July 25, 2023 – The Cyprus Securities and Exchange Commission (CySEC) today announced a decision to impose a fine of four hundred thousand euro (€400.000) on the Cyprus investment firm Goldenburg Group Ltd ([the board decision](#)).

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 and the Regulation (EU) 1286/2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs) ('Regulation (EU) 1286/2014').

In particular, Goldenburg Group Ltd failed to establish and implement effective organizational and administrative arrangements to ensure that the interests of its clients were not adversely affected by a conflict of interest.

CySEC found that Goldenburg Group Ltd did not take all appropriate measures to identify and avoid and/or manage a conflict of interest between the employees of the company acting as its marketing agent in the territory of Slovenia and its customers, residents of Slovenia.

CySEC found that Goldenburg Group Ltd did not act fairly, honestly and professionally, when providing investment services, in accordance with the best interests of its clients, in regards to the actions/practices of the Company's employees and/or the employees of the company that was acting as the Company's marketing agent in the territory of Slovenia. Further, information addressed to its customers in Slovenia, was misleading and the company did not ensure that its employees who were providing investment advice had the required knowledge and competence to fulfil their obligations.

CySEC found that Goldenburg Group Ltd failed to notify in advance the Supervisory Authority of Slovenia that it was posting key information documents (KIDs) on its website, according to its obligation under the Slovenian national law. Goldenburg Group Ltd also failed to include necessary regulation information in key information documents.

The Chairman of CySEC, Dr George Theocharides, said: ““CySEC takes any misconduct by supervised entities seriously and is determined to bring noncompliant operations to a halt in order to enhance investor protection and the responsible growth of the investment sector.”

“The imposition of administrative fines is a key tool we use to reduce non-compliance, and we will continue to take action against CIFs that fail to comply with the obligations placed upon them. CIFs are urged to ensure that they fully comply with their regulatory obligations, with an emphasis on strengthening their compliance function to safeguard investor protection.”

ENDS.

CySEC clarifies that the content of this press release is strictly informative and does not intend to substitute the CySEC Board’s decision in any way.