

25 July 2023

### CYSEC Board Decision

<b>Announcement date:</b>	25.07.2023	<b>Board decision date:</b>	08.05.2023
<b>Regarding:</b>	Goldenburg Group Ltd		
<b>Legislation:</b>	The Investment Services and Activities and Regulated Markets Law, Regulation (EU) 1286/2014		
<b>Subject:</b>	Total fine €400.000		
<b>Judicial Review:</b>	<a href="#">Click here</a>	<b>Judicial Review Ruling:</b>	<a href="#">Click here</a>

The Board of the Cyprus Securities and Exchange Commission ('CySEC') wishes to inform the public that, at its meeting on the 8<sup>th</sup> May 2023, decided to impose a total administrative fine of **€400.000** to **CIF Goldenburg Group Ltd** (LEI 2138009UJX646ZT32817) ('the Company') for violations of the Investment Services and Activities and Regulated Markets Law of 2017 ('the Law') and the Regulation (EU) 1286/2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs) ('Regulation (EU) 1286/2014').

### **Particularly CySEC imposed to the Company:**

1. A fine of **€25.000** for violation of section 22(1) of Law, as for the period 1.11.2019-28.2.2021 the Company did not comply all time with the authorisation conditions of the section 17(3)(a) of the Law, as it failed to establish and implement effective organizational and administrative arrangements to take all reasonable measures to ensure that the interests of its clients are not adversely affected, due to conflicts of interest.
2. A fine of **€25.000** for violation of section 24(1) of Law, as during the period 1.11.2019-28.2.2021 it did not take all appropriate measures to identify and avoid and/or manage the conflict of interest between the employees of the company that was acting as the Company's marketing agent in the territory of Slovenia and its customers, who are residents of Slovenia.
3. A fine of **€100.000** for violation of section 25(1) of Law, as during the period February-November 2020 it did not act fairly, honestly and professionally, when providing investment services, in accordance with the best interests of its clients, taking into account 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.

4. A fine of **€100.000** for violation of section 25(3) of Law, as specified in section 44(2) of the Delegated Regulation (EU) 2017/565, as during the period February-November 2020 the information addressed to its customers, residents of Slovenia, was not accurate, clear and not misleading.
5. A fine of **€50.000** for violation of section 26(1) of Law, as specified in the Directive on the Certification of Persons and the Certification Registers, as during the period February-November 2020 it did not ensure that its employees, who provided investment advice, had the required knowledge and competence to fulfil their obligations.
6. A fine of **€50.000** for violation of section 5(2) of the Regulation (EU) 1286/2014, as for the period April 2018 to 25.10.2022 the Company failed to notify the Supervisory Authority of Slovenia (SMA) of the key information documents (KIDs) before posting them on its website, as it was its obligation under the Slovenian national law.
7. A fine of **€50.000** for violation of section 8(3) of the Regulation (EU) 1286/2014, as all the prescribed of the Regulation information were not included in the key information documents (KIDs).

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

mtb/cg