

13 July 2021

CYSEC Board Decision

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| Announcement date: | 13.07.2021 | Board decision date: | 31.05.2021 |
| Regarding: | Parallel Nominees Cyprus Limited | | |
| Legislation: | The Prevention and Suppression of Money Laundering and Terrorist Financing Law | | |
| Subject: | Settlement €70.000 | | |
| 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 ASP **Parallel Nominees Cyprus Limited («the Company»)** for possible violations of the Prevention and Suppression of Money Laundering and Terrorist Financing Laws of 2007 ('the Law'), and the Directive for the Prevention of Money Laundering and Terrorist Financing issued by the CySEC, ('the Directive'). More specifically, the inspection for which the settlement was reached, involved assessing the Company's compliance with:

1. Article 58(a) of the Law regarding the procedures on the prevention of offenses of money laundering and terrorist financing.
2. Articles 61(1)(a)(b)(c), 61(2) and 64(3) of the Law regarding the ways of applying customer due diligence and identification procedures and paragraphs 21(5)(b)(c) of the Directive regarding the construction of the customer's economic profile.
3. Article 61(1)(d) of the Law and paragraph 21(7) of the Directive regarding conducting ongoing monitoring of the business relationship with the customer, including scrutiny of transactions undertaken throughout the course of that relationship with the customers.
4. Paragraphs 13(2) and 13(4)(b.ii) of the Directive regarding the identification, recording and evaluation of potential risks faced by the ASPs.

5. Article 58(e) of the Law and paragraphs 26(1) and 26(2)(b)(e) of the Directive regarding the detailed examination of each transaction which by its nature may be considered to be particularly vulnerable to be associated with money laundering offenses or terrorist financing and in particular complex or unusually large transactions and all other unusual patterns of transactions which have no apparent economic or visible lawful purpose.
6. Article 58(f)(i) of the Law regarding informing the employees of the Company in relation to the systems and procedures that it follows, in accordance with article 58(a) of the Law.

The settlement reached with the Company, for the possible violations, is for the amount of **€70.000**. The Company has already paid the amount of €70.000.

It is noted that all amounts payable from settlement agreements are considered revenue (income) of the Treasury of the Republic and do not constitute income of CySEC.

Cg/mt