

PRESS RELEASE

CySEC issues fines and operating bans against four Maxigrid directors

NICOSIA, 17 June 2022 - The Cyprus Securities and Exchange Commission (CySEC) today announces that it has imposed administrative sanctions on current and former members of the Board of Directors of Maxigrid. The penalties include administrative fines totaling € 210,000 and a ban against them exercising management functions in Cyprus Investment Firms (CIFs) of up to five years, depending on each case.

Following an investigation into Maxigrid's non-compliance with provisions of the Investment Services and Activities and Regulated Markets Law, CySEC also examined the Company's Board of Directors in respect of section 10(1)(a) of the Law. Maxigrid's Board of Directors was found to have acted in violation of this article over its failure to define and take responsibility for the implementation of arrangements that ensure the effective and prudent management of the Company, in a way that promoted the integrity of the market and the interest of its clients. Specifically, during the period between 4th September 2020 and October 2021, the principle of governance arrangements, which is set out in section 10(1)(b)(ii) of the Law, was not applied.

The administrative sanctions imposed by CySEC against Maxigrid are listed below:

- Shareholder and ex Non-Executive President of the Board, Roy Almagor receives an administrative fine of €200.000 and a ban for a period of five years from exercising management functions in CIFs.
- Executive Director of the Company Jekaterina Pedosa receives an administrative fine of €10.000 and a ban for a period of five years from exercising management functions in CIFs.
- Executive Director of the Company Katerina Papanicolaou receives a ban for a period of two years from exercising management functions in CIFs.
- ex Executive Director of the Company Nikolai Monogarov receives a ban for a period of two years from exercising management functions in CIFs.

In determining the administrative fine, CySEC took into account, inter alia, the seriousness attributed by Cyprus' lawmakers to such infringements. CySEC is clear that all persons who assume administrative duties in a CIF are required to take responsibility for maintaining its smooth operation and to ensure the interests of its customers, and that directors of a CIF must contribute to promote market integrity.

No administrative fines or other measures were imposed on the following former non-executive Directors of the Company, Alexis Zampas, Pavlos Iosifides and Ioannis Chasikos, taking into account various factors relating to their capacity in the Company.

Further details of CySEC's decision are available in the announcement, which has been posted on its website, in the Greek language.

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