

2 April 2020

CYSEC Decision

Announcement date:	02.04.2020	CySEC Decision date:	02.04.2020
Regarding:	UGL Exchange Ltd		
Legislation:	The Investment Services and Activities and Regulated Markets Law		
Subject:	Suspension of CIF licence		
Judicial Review:	Click here	Judicial Review Ruling:	Click here

The Cyprus Securities and Exchange Commission announces that the authorisation of the Cyprus Investment Firm **UGL Exchange Ltd** ('the Company'), **number 349/17**, is **suspended in whole**, pursuant to section 10(1) of Directive DI87-05 for The Withdrawal and Suspension of Authorisation ('DI87-05'), as there are suspicions of an alleged violation of:

1. Articles 92(1) and 93(1) of Regulation (EU) No 575/2013 on prudential requirements, regarding own funds and capital ratio,
2. section 22(1) of The Investment Services and Activities and Regulated Markets Law of 2017 ('the Law'), due to the Company's possible non-compliance at all times with the authorisation condition in section 17(9) of the Law (organizational requirements), as specified in paragraph 4 of Directive DI87-01 of 2018, regarding the safeguard of clients' funds.

The above decision was reached as the aforementioned alleged violations cause concern and risk relating to the protection of the Company's clients or investors and constitute a threat to the orderly operation and integrity of the market.

Within **one (1) month**, the Company has to take actions in order to comply with the aforementioned provisions.

For as long as the suspension of the authorisation is in force, as provided for in section 9 of DI87-05,:

1. The Company is not permitted to:
 - 1.1 Provide/carry out investment services/activities.
 - 1.2 Enter into any business transaction with any person and accept any new client.
 - 1.3 Advertise itself as a provider of investment services.
2. The Company, provided this is consistent with the wishes of its existing clients, may proceed with the below actions, without such actions being considered as breach of section 7(a) of DI87-05:
 - 2.1. Complete all its own transactions and those of its clients which are before it, in accordance with client instructions.
 - 2.2. Return all funds and financial instruments which are attributable to its clients.

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