

## ANNOUNCEMENT

The Cyprus Securities and Exchange Commission informs the investors that during its board meeting dated 9<sup>th</sup> January 2012, decided to impose an administrative fine for the amount of **€80.000** to **Mr. Andreas Argyrou** for violating article 4(1) of the the Investment Services and Activities and Regulated Markets Law of 2007, as amended ('the Law'), because he provided investment services (portfolio management) on a professional basis, within the period of 2009-2011, without authorization pursuant to the Law.

In determining the amount of the administrative fine, the Commission took into consideration the following:

- The maximum administrative sanction provided for this kind of violations, pursuant to article 141(1) of the Law which is 350.000 euros, which shows the gravity the lawmaker attributes to these sorts of violations.
- The aim of promoting the smooth operation of the capital markets in general and of providing investment services in particular, by ensuring that only the persons permitted by the Law are able to provide or to purport to provide investment services in this sensitive area of the economy.
- The necessity to impose administrative sanctions for this kind of violations that are dissuasive.
- The large number of Power of Attorneys for trading in the name of Mr. Argyrou.
- The fact that, although Mr. Argyrou provided the investment service of portfolio management unlawfully, he did so under the impression that he was acting lawfully. Although ignorance of the law does not constitute an excuse, the Commission took into consideration, as a mitigating factor in favour of Mr. Argyrou, the fact that he was acting in good faith.

**Nicosia, 2 February 2012**

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