

3 August 2021

CYSEC Decision

Announcement date:	03.08.2021	CySEC Decision date:	03.08.2021
Regarding:	Indication Investments 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 ('CySEC') announces that the authorisation of the Cyprus Investment Firm **Indication Investments Ltd** ('the Company'), **number 164/12**, is **suspended partially**, pursuant to section 10(1) of Directive DI87-05 for The Withdrawal and Suspension of Authorisation ('DI87-05'), as there are suspicions of alleged violations of:

1. Article 42 of Regulation (EU) no. 600/2014, as the Company does not appear to comply with paragraphs 4(1)(d) and 4(e) of Directive DI87-09 for the restriction on the marketing, distribution, and sale of CFDs to retail clients.
2. Article 22(1) of the Law, as the Company does not appear to comply at all times with the condition for authorisation provided in article 17(2) of the Law, regarding the organisational requirements.
3. Article 25(1) of the Law, as the Company does not appear to act honestly, fairly and professionally when providing investment services to clients, in accordance with the best interests of the clients.
4. Article 25(3)(a) of the Law, as the Company does not appear to provide information, including marketing communications, to its clients or potential clients that is fair, clear and not misleading.

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

The partial suspension of the Company's authorization involves:

- i. **Prohibition** to accept any new client and to enter into any business transaction with them.
- ii. **Prohibition** to advertise itself as a provider of investment services. To ensure this the Company is prohibited from marketing/advertising its services to current or potential clients as well as to communicate with them for this purpose, either

directly or via third parties with whom the Company cooperates for customer support.

- iii. For as long as the suspension of the authorisation is in force, the Company is obliged to publish in all its websites an announcement relating to the partial suspension of its authorisation and its inability to provide/carry out investment services/activities to new clients.
- iv. The Company is not permitted to allow its existing clients to proceed with new deposits unless they explicitly request to do so and at the same time such deposits are made for the sole purpose of covering the margin requirements of the clients' existing open positions.

The Company must take, **until the 17th of September 2021**, the necessary actions to comply with the aforementioned provisions.

For as long as the suspension of the authorisation is in force, 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 9(7)(a) of D187-05:

- (i) Complete all its own transactions and those of its clients which are before it, in accordance with client instructions.
- (ii) Return all funds and financial instruments which are attributable to its clients.

Em/