

## ANNOUNCEMENT

The Cyprus Securities and Exchange Commission ('CySEC') wishes to inform the public in relation to the issuance of a decision by the Administrative Court on 23 May 2023, in the Application No. 1387/2016, **Christos Stylianides – v – Cyprus Securities and Exchange Commission (the 'Application')**.

The case concerned the decision of CySEC dated 1<sup>st</sup> of August 2016 ([Announcement of CySEC dated 21.9.2016](#)), to impose to the then Managing Director of the Group Mr. Christos Stylianides, pursuant to the articles 23 and 48(4)(a) of the Insider Dealing and Market Manipulation (Market Abuse) Law ( 'L.116(I)/2005'), administrative fine of €50.000, based on the fact that the violation by the company **Cyprus Popular Bank Public Co Ltd** (the 'Company') of article 19 of L.116(I)/2005, as specified in paragraph 4(d)(iv) of the Directive DI 116-2005-03, during the period 8-9 of December 2011, until 30.4.2012, was due to its own liability and negligence.

The Administrative Court **annulled** the decision of CySEC dated 1 August 2016, stating that the process followed to establish the said violation by the Company and to conclude to the imposition of the administrative fine on Mr. Stylianides due to his liability regarding the said violation was flawed. Furthermore, the Court identified deficiency in the conducted investigation regarding the determination of the liability of Mr. Stylianides, as well as in the provided justification for the conclusion of CySEC, based on the fact that, in its decision, CySEC did not specifically address certain points raised in the representations submitted before it.

Specifically, regarding the procedure that CySEC followed, the Court ruled that article 48(4)(a) of L.116(I)/2005, has the meaning that the determination of the violation by the legal entity and the potential liability for intentional omission or negligence of the board of directors, officials, etc. should be examined and must be examined simultaneously in a unified process, and not fragmented, as was done by CySEC, resulting to the examination of the liability of the board of directors at a subsequent stage after establishing the violation by the Company.

The whole decision of the Court can be found [here](#).

It is noted that CySEC has submitted an Appeal against the decision of the Administrative Court dated 23 of May 2023.

Nicosia, 14 July 2023

vs