

12 March 2024

**CYSEC Board Decision**

<b>Announcement date:</b>	12.03.2024	<b>Board decision date:</b>	15.01.2024
<b>Regarding:</b>	Fiduserve Asset Management Ltd		
<b>Legislation:</b>	The Investment Services and Activities and Regulated Markets Law		
<b>Subject:</b>	Total fine €50.000		
<b>Judicial Review:</b>	<a href="#">Click here</a>	<b>Judicial Review Ruling:</b>	<a href="#">Click here</a>

The Board of the Cyprus Securities and Exchange Commission ('CySEC') wishes to inform the public that, at its meeting on the 15<sup>th</sup> January 2024, decided to impose a total administrative fine of **€50.000** to the **AIFM Fiduserve Asset Management Ltd** (LEI 213800YJU4GIL2UKSF58) ('the Company') for violations of the Investment Services and Activities and Regulated Markets Law of 2017, as in force ('the Law').

**Particularly CySEC imposed to the Company:**

- A.** A fine of **€20.000** for violation of section 26(2)(a) of the Law, as specified further in article 54 of Delegated Regulation (EU) 2017/565 (the "Regulation"), since during the period June 2018 - October 2021, the Company did not obtain all the necessary information in relation to the financial situation and investment objectives of the investors, including the level of risk tolerance, in order to enable the Company to recommend to them the financial instruments that were appropriate to their situation and, in particular, that were in line with the level of risk tolerance and their potential to incur losses.
- B.** A fine of **€15.000** for violation of section 26(6)(a) of the Law,
- as specified further in sections 60(2) and 60(3)(c) of the Regulation, since, considering that the agreement that the Company had made with the investors for the portfolio management service authorises a leveraged portfolio, during the period December 2018-October 2021, the periodic statement, on a monthly basis, did not have the required content.
  - as specified further in section 62(1) of the Regulation, since during the period between 30<sup>th</sup> of September 2019 and 31<sup>st</sup> of December 2020, while there was, repeatedly, a decrease in the value of the portfolio of more than 10%, the Company did not inform the investors.
- C.** A fine of **€5.000** for violation of section 26(6)(d) of the Law, since during the period December 2018-October 2021, the Company did not send the investors an updated statement on how the investments it made, as part of their portfolio management, met the investors' preferences, objectives and other characteristics.
- D.** A fine of **€10.000** for violation of section 25(3)(a) of the Law, since the Company, on the 9<sup>th</sup> of October 2018, provided information to the investors that was not fair, was not clear and was misleading.

Full justification of the CySEC's decision is available in the Greek text of the announcement.

mth/cg