

20 December 2017

PRESS RELEASE

CySEC fines Reliantco Investments Ltd. for compliance failings

NICOSIA – The Cyprus Securities and Exchange Commission (“CySEC”) has imposed a financial penalty on Reliantco Investments Ltd. (“Reliantco”; the “Company”), an investment firm that provides online retail trading products in forex and whose domain names include www.ufx.com; www.ufxaffiliates.com; www.ufxpartners.com.

A sum of €95,000 has been imposed on the Company for multiple compliance failings that breached the policies and procedures CySEC enforces to guarantee full investor protection, including:

- €40,000 for non-compliance with Article 36(1) of the Investment Services and Activities and Regulated Markets Law of 2007, as the Company did not act fairly, honestly and professionally in relation to the customer support services account managers provide to existing clients;
- €40,000 for non-compliance with Article 36(1)(a) of the Law and paragraph 6, subparagraphs (2) and (8) of Directive DI 144-2007-02 of 2012 of the Securities and Exchange Commission for the professional competence of Investment Firms and the natural persons employed by them, for failure to provide accurate, clear and non-misleading advertising materials to clients;
- €15,000 for non-compliance with Article 36 (1)(d) of the Law and paragraphs 15 and 16 of Directive DI 144-2007-02 of 2012 of the Securities and Exchange Commission for the professional competence of Investment Firms and the natural persons employed by them, as the Company did not obtain all the necessary and complete information to ensure customer suitability checks authorised appropriate investment services to each individual client.

CySEC’s supervisory action follows similar fines imposed on the Company in 2015 for related failings. A further follow-up inspection to ensure full compliance with the laws CySEC has in place to protect investors revealed that although significant progress had been made in line with CySEC’s recommendations, there were still material compliance failings that contributed to a risk of consumer detriment.

In mitigating the financial penalty imposed, CySEC accounted for the Company's corrective actions implemented under CySEC's jurisdiction, including enhancing its client on-boarding processes and changing its advertising and risk warnings.

Demetra Kalogerou, Chair of the CySEC, said: "*The Company has not met the standards prescribed by the laws we have in place to protect investors. The fine imposed on the Company for their failings to act in the best interest of their customers follows CySEC's initial supervisory action towards Reliantco. A fine is not an end-stop action for investment firms regulated in Cyprus, and CySEC will not hesitate to use all the supervisory tools at its disposal to limit consumer detriment.*"

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