

MFSA

MALTA FINANCIAL SERVICES AUTHORITY

Public statement by the Malta Financial Services Authority in relation to Ariadne Capital Malta Limited

The Malta Financial Services Authority ('MFSA') is issuing the following statement in respect of Ariadne Capital Malta Limited ('the Company') having registration number C 49720. The Company is licensed as a Category 2 Investment Services Licence Holder to control clients' money and assets as well as an Alternative Investment Fund Manager pursuant to the Alternative Investment Fund Managers Directive ('AIFMD').

The MFSA is committed to: [a] investigate allegations of activities detrimental to consumers of financial services, and to identify any practices which may be unfair or harmful to the integrity of Malta's financial system; and [b] ensure high standards of conduct and management in the financial services sector.

The MFSA has been investigating the conduct of the Company, its sole Director Ms Julie Meyer as well as Ariadne Capital ECO2 VC Limited Partnership since November 2017. Following careful consideration of the facts available and due process, the Authority identified a number of serious breaches of licence conditions committed by the Company, including:

- [a] failure to have in place a Compliance Officer at all times;
- [b] failure to cooperate and collaborate with the MFSA;
- [c] failure to abide by the 'dual control' principle;
- [d] inadequate resources to carry out management of Alternative Investment Funds; and
- [e] failure to establish a risk management function, which is separate from the investment management function.

On the basis of the various breaches stated above, the Authority has today suspended the Company's licence in terms of the Investment Services Act. The decision of the MFSA is applicable with immediate effect. Consequently, the Company is no longer in a position to provide investment services under the Investment Services Act.

The MFSA's decision may be appealed to the Financial Services Tribunal.

**Communications Unit
Malta Financial Services Authority
Media Release 06-2018
11 May 2018**