

Some of the most recognized Fund regulators are the FSA, located in the UK, CySec outside Cyprus and the SEC in the United States, if the broker is allowed to trade with US customers.

## **NFA (National Futures Association)**

[www.nfa.futures.org](http://www.nfa.futures.org)

The world's largest non-profit self-governing organization, designed to regulate the activities of participants in financial markets. At the moment, any organization has the right to offer margin trading services to US citizens only after obtaining the appropriate license from the NFA.

NFA has been regulating and controlling the activities of financial intermediaries in the United States since 1983. The presence of a foreign broker license NFA guarantees its ethical attitude towards investors and honesty in the execution of transactions. Also, you will never have problems with the return of funds, since any complaint from an investor about the actions of a broker leads to serious consequences for a broker who violates NFA regulations.

In 2012, NFA issued about 4,300 licenses for brokering activities, so finding a broker licensed by NFA will not be a difficult task.

## **FSA UK (Financial Services Authority United Kingdom)**

[www.fsa.gov.uk](http://www.fsa.gov.uk)

The UK Financial Markets Service is an organization that oversees the activities of financial intermediaries in the UK.

Unlike the Bank of England, the FSA is a fully independent non-governmental organization that regulates and supervises the activities of all investment, financial and banking companies that provide their services in the UK.

Due to the complexity and lengthy process of obtaining an FSA license, only a few Fund companies can afford to license this organization. The FSA license imposes on the financial intermediary significant obligations, which guarantees a high level of services and reliability of the broker.

## **CySEC (Cyprus Securities and Exchange Commission)**

[www.cysec.gov.cy](http://www.cysec.gov.cy)

The Cyprus Securities and Exchange Commission exercises control over the activities of participants in the financial markets of Cyprus.

However, the CySEC license issued to international companies allows us to speak of an increased level of reliability of a broker or a dealing center. The financial legislation of Cyprus quite clearly prescribes the rules and regulations of the broker, so you can count on quality services from a company licensed by CySEC.

## **FSC BVI (Financial Services Commission of British Virgin Islands)**

[www.bvifsc.vg](http://www.bvifsc.vg)

The purpose of the British Virgin Islands Financial Services Commission is to regulate the region's financial markets and discourage the legalization of illegally obtained funds.

Due to the fact that many Fund dealing centers are registered on the British Virgin Islands, which are quite a popular offshore zone, the FSC BVI license is quite widespread among financial intermediaries in the CIS.

## **FSC Mauritius (Financial Services Commission Mauritius)**

[www.fscmauritius.org](http://www.fscmauritius.org)

The Financial Services Commission of the Republic of Mauritius is often featured on the websites of Russian and Ukrainian Fund companies. This organization regulates the financial services market (except for the banking sector) of the country. It is FSC that registers and issues licenses to professional participants of financial markets - brokerage companies.

Like any license of a regulator from an offshore country, FSC Mauritius provides a fairly conditional protection of the interests of foreign investors. Carefully familiarize yourself with the powers of FSC as a regulator before relying on this organization as a defender of your interests in disputes with a broker.

In fact, the FSC BVI license protects foreign investors rather weakly due to the soft requirements for the licensing intermediary.

## **FSFR (Federal Financial Markets Service)**

[www.fesm.ru](http://www.fesm.ru)

The Federal Financial Markets Service of the Russian Federation performs the functions of supervision over the activities of financial

market participants. The direct responsibility of the Federal Financial Markets Service is to adopt legal acts regulating the activities of participants in exchange and over-the-counter markets, licensing their professional participants and protecting the interests of investors. The FFMS is not an independent organization and is directly subordinate to the government of the Russian Federation.

The FFMS license is a good protection for stock market players, but it does not apply to the regulation of foreign companies offering services to trade in Fund and CFD (CFD) instruments. Even in the event of depriving the Russian representative office of the Fund company of the FFMS license, this does not deprive the dealing center of the right to provide Fund trading services to Russian citizens.