



INVESTORS' COMPENSATION FUND INFORMATION

Last reviewed: 23 December 2022

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1. INTRODUCTION

OMEGA FUNDS INVESTMENT LTD (the Company) is a private limited liability company, incorporated and registered in Cyprus with company number HE 230096 whose registered address is at 1 Georgiou A, Monastiraki Centre, 3rd floor, 4040, Limassol, Cyprus.

The Company is regulated by the Cyprus Securities and Exchange Commission (CySEC) with license number 102/09 and operated under the Directive 2014/65/EU of the European Parliament and of Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/64/EU (MiFID II).

The Company is a member of the Investor Compensation Fund (the Fund) in accordance with the Investment Services and Activities and Regulated Markets Law 87(I)/2017 (the Law) as amended from time to time.

The Fund is the fund of its members, established pursuant to the Law as an investor compensation fund for CIF clients and its powers and functions are regulated by the provisions of the Law and of the Directive DI87-07 of CySEC for the operation of the investors compensation fund (the Directive).

2. REGULATORY FRAMEWORK

This information is drawn up and published in accordance with requirements of Part IV of the Directive.

3. COVERED CLAIMS

3.1. The Fund covers claims arising due to the Company failure:

- a) to repay the funds owed to covered clients or belonging to them and held on their behalf in connection with investment operations; or
- b) to return to covered clients any financial instruments belonging to them and held, managed or administered on their behalf in connection with investment operations;

in accordance with the legal and contractual conditions applicable.

3.2. The amount of the claim of a covered client shall be calculated based on legal and contractual conditions, in particular those relating to offsetting and counterclaims, that are applicable to the assessment on the date of the initiation of the compensation payment procedure, of the amount of the funds or value



determined with reference to the market value, where possible, of the financial instruments belonging to the covered client and which such funds or instruments, the Company fails to repay or return, respectively.

4. COVERED AND NON-COVERED CLIENTS

4.1. Covered clients are clients of the Company who is covered by the Fund for claims against the Company arising from the investment operations provided by the Company and excluding non-covered clients.

4.2. The Fund shall does not compensate the following clients categories (non-covered clients):

- a) Institutional and professional investors that are:
 - i. Investment Firms,
 - ii. Legal entities associated with the Company and, in general, belonging to the same group of companies,
 - iii. Banks,
 - iv. Cooperative credit institutions,
 - v. Insurance companies,
 - vi. Collective investment undertakings in transferable securities and their management companies,
 - vii. Social insurance institutions and funds,
 - viii. Investors characterised by the Company as professionals, upon their request (elective profession clients);
- b) Supranational institutions, government and central administrative authorities.
- c) Provincial, regional, local and municipal authorities.
- d) Enterprises that have close ties with the Company as the term «close ties» is construed in Article 2(1) of the Law.
- e) Managerial and administrative staff of the Company.
- f) Shareholders of the Company whose participation directly or indirectly in the capital of the Company amounts to at least 5% of its share capital, or its partners who are personally liable for the obligations of the Company as well as persons responsible for the carrying out of the financial audit of the Company as provided by the Law, such as its qualified auditors.
- g) Investors having in enterprises connected with the Company and, in general, with the group of companies to which the Company belongs, positions or duties corresponding to those listed in Sections 4.2.e) and 4.2.f) above.

- h) Up to second-degree relatives and spouses of the persons listed in Sections 4.2.e), 4.2.f) and 4.2.g) above, as well as third parties acting for the account of such persons.
- i) Investors-clients of a Fund member responsible for facts pertaining to the Company that have caused its financial difficulties or have contributed to the worsening of its financial situation or have profited from these facts.
- j) Other firms in the same group.
- k) Investors in the form of a company, which due to its size, is not allowed to draw a summary balance sheet in accordance with the Companies Law or a corresponding law of a Member State.

In the cases of Sections 4.2.e) – 4.2.h) and Section 4.2.j), the Fund suspends the payment of compensation informing the interested parties accordingly, until it reaches a final decision as to whether such cases apply.

5. AMOUNT OF THE COMPENSATION PAYABLE

- 5.1. The calculation of the compensation payable shall arise from the sum of the total established claims of the covered client against the Company, arising from all covered services provided by the Company and regardless of the number of accounts of which it is the beneficiary, the currency and place where such services are provided within the European Union.
- 5.2. The Fund provides coverage for the claims referred to in Section 3 above, which applies for the total claims of the covered client against the Company and shall be defined as the lower of 90% of the cumulative covered claims of the covered client and €20.000.
- 5.3. In the case of joint investment business:
 - a) in the calculation of the coverage provided for in Section 5.2 above, the share attributable to each covered clients shall be taken into account;
 - b) the claims shall be allocated equally amongst covered clients, unless there exist special provisions, and without prejudice to Section 5.3.c) below, each client is provided with separate coverage pursuant to the provisions of Section 5.2 above;
 - c) claims relating to joint investment business to which two or more persons are entitled as members of a business partnership, association or grouping of a similar nature, which has no legal personality, shall, for the purpose of calculating the coverage provided for in Section 5.2 above, be aggregated and treated as if arising from an investment made by a single client.
- 5.4. Where a covered client is not the ultimate beneficiary of the funds or financial instruments held by the Company:

- a) compensation shall be paid to the ultimate beneficiary if his identity is or may be established prior to the date of the determination or ruling referred to in paragraph 18(1) of the Directive.
- b) if the ultimate beneficiaries are more than one, in the calculation of the coverage provided for, the share attributable to each one of them according to the arrangements regulating the management of the funds or financial instruments shall be taken into account.

This section shall not apply to undertakings for collective investments.

- 5.5. Compensation shall be paid in Euro, and, where the funds and/or financial instruments are expressed in a currency other than the Euro, the exchange reference rate of the said currency against the Euro fixed by the European Central Bank at the end of the day on which the compensation payment procedure was activated, shall be used.

6. COMPENSATION PAYMENT CONDITIONS

The payment of compensation by the Fund shall entail the following:

- a) the initiation of the compensation payment procedure;
- b) the existence of a valid claim by a covered client against the Company, which derives from an investment operation;
- c) the submission of an application form as prescribed in the Directive;
- d) that the claims do not arise from transactions for which there has been a criminal conviction for money laundering as defined in the Prevention and Suppression of Money Laundering Activities Law of 2007;
- e) there are no pending criminal proceedings against the said covered client for money laundering as defined in the Prevention and Suppression of Money Laundering Activities Law of 2007;
- f) the right of a covered client has not been extinguished under the Limitation of Offenses Act.

7. FORMALITIES FOR THE COMPENSATION PAYMENT

7.1. The Fund initiates the compensation payment procedure when:

- a) the CySEC has determined that the Company appears, for the time being, for reasons directly related to its financial circumstances, unable to meet its obligations arising out of clients` claims and has no early prospect of being able to do so.
- b) a Court of the Republic, has made a ruling, for reasons directly related to the Company`s financial circumstances, which has the effect of suspending clients` ability to make claims against it.

and the CySEC has issued its decision for the initiation of the compensation payment procedure by the Fund, and has published the relevant information on its website.

- 7.2. Upon initiation of the compensation payment procedure, the Fund publishes in at least two national newspapers, an invitation to submit applications for compensation, designating the procedure for the submission of the relevant applications, the deadline for their submission as well as their content.
- 7.3. Upon commencement of the compensation payment process by the Fund to covered clients of the Company, covered clients shall submit their applications in one of the following two ways:
- a) By filling in the online application form which can be found on the CySEC website <https://www.cysec.gov.cy/en-GB/investor-protection/tae/application/> or
 - b) By submitting a simple letter to the offices of the Fund, accompanied by all supporting evidence.

The letter/application may be sent by post or be delivered by hand to: The Investor Compensation Fund, 19 Diagorou Str., 1st floor, 1097, Nicosia, Cyprus.

Applications shall be submitted within a deadline set out by the Fund.

- 7.4. In case a covered client was not in a position to submit such application within the deadline set out by the Fund, the deadline shall not apply, if conditions occurred that prevented the observance of the deadline for the submission of a compensation application or for the collection and submission of the information required.

A covered client submitting a compensation application after the deadline, shall submit, in addition to the information forming the content of the application, a declaration explaining the reason, if any, for which he was not in a position to claim compensation in time, attaching all supporting evidence to that end.

- 7.5. The Fund records and assesses the submitted claims, either internally or by designating at least one expert in capital market issues and at least one lawyer with knowledge on capital market issues, who after initially reviewing the conditions of Section 6 above, evaluates the said applications and recommends to the Administrative Committee their acceptance or rejection, in whole or in part.
- 7.6. The Administrative Committee examines the applications before it and decides whether the conditions of Section 6 above are fulfilled or not.

The Administrative Committee rejects the application if the claimant has used false or misleading means in order to secure the payment of the compensation.



7.7. Upon completion of the procedure before the Administrative Committee, the Fund:

- a) issues a decision listing the clients of the Company, determining the amount of money each one of them is entitled to receive, and communicate it to the CySEC and the Company.

The said decision shall also list those clients to whom no compensation shall be paid, and the reasons for this;

- b) communicates to each affected client its decision the soonest possible from its issue.

7.8. The claimant to whom the Fund communicates its decision, may, in case of disagreement, submit an objection in writing to the CySEC, within one month from the date on which the decision was notified, justifying its objection sufficiently. The objection shall be submitted at info@cysec.gov.cy and entitled "Objection to the decision of the ICF".

The CySEC in the context of examining an objection may:

- a) request from the Fund, and/or the Company and/or the claimant to submit information and particulars;
- b) conduct any investigation.

The CySEC concludes the examination of the objection within forty-five (45) days and in case that identifies an error in the evaluation carried out by the Fund, it requests in writing from the Fund to immediately rectify the mistake and pay the claimant the correct amount, and inform the affected client accordingly.

7.9. The Fund pays each covered client/claimant the compensation that he is entitled to, within three months from the date that the decision was communicated to the covered client.

The payment of the compensation by the Fund shall be deposited to a bank account of the covered client, as designated by the said client in writing via the form of Paragraph 22 of the Directive.

In extraordinary and justified circumstances, the Fund may request from the CySEC an extension of the deadline provided for in first paragraph. The said extension may not exceed three months.

Queries and/or questions regarding the Fund should always be addressed in writing to the Omega Funds Investment Ltd.

For any further information regarding the Fund, please contact our office at:

Address: 1 Georgiou A' Street, Monastiraki Center, 3rd floor, 4040, Limassol, Cyprus

Phone: +357 25 028920

E-mail: compliance@omegainvest.com.cy



Or the offices of the Administrative Committee of the Fund, at the following address:
Administrative Committee of the Investor Compensation Fund for Customers of CIFs
and other IFs

Address: 19 Diagorou Street, 1097, Nicosia, Cyprus

Phone: +357 22 506 600

Fax: +357 22 506 700

E-mail: tae@cysec.gov.cy