



## INVESTOR COMPENSATION FUND

**GMM GLOBAL MONEY MANAGERS LTD** (the "Company") is a UCITS Management Company, which has been licensed and is supervised by the Cyprus Securities and Exchange Commission (License Number UCITS MC 2/13). The Company has extended its operating license to include the ancillary services of:

- a) portfolio management under Article 109(4)(a) of the UCI Law, and
- b) the provision of investment advice under Article 109(4)(b)(i) of the UCI Law.

GMM GLOBAL MONEY MANAGERS LTD is a member of the Investor Compensation Fund (the "Fund") pursuant to Directive DI87-07, as amended and currently in force, concerning the operation of the Investor Compensation Fund. The purpose of the Fund is to secure the claims of covered clients against Fund members through the payment of compensation.

### **Covered Services and Claims**

The Company participates in the Fund in relation to the provision of portfolio management and investment advisory services.

The Fund covers claims arising due to a member's 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.

### **Covered Clients**

The Fund covers all the clients **except** the following categories:

- (1) The following categories of institutional and professional investors:
  - (a) IFs;
  - (b) legal entities associated with the Fund member and generally belonging to the same group of companies;
  - (c) banks;
  - (d) cooperative credit institutions;
  - (e) insurance companies;

- (f) collective investment undertakings in transferable securities and their management companies;
  - (g) social insurance institutions and funds;
  - (h) investors characterized by the member as professionals upon their request, pursuant to the provisions of paragraph B of the Second Schedule of the Law.
- (2) Supranational institutions, government and central administrative authorities.
  - (3) Provincial, regional, local and municipal authorities.
  - (4) Enterprises that have close ties with the Fund member as the term «close ties» is construed in Article 2(1) of the Law.
  - (5) Managerial and administrative staff of the Fund member
  - (6) Shareholders of the Fund member whose participation directly or indirectly in the capital of the Fund member amounts to at least 5% of its share capital, or its partners who are personally liable for the obligations of the Fund member as well as persons responsible for the carrying out of the financial audit of the Fund member as provided by the Law, such as its qualified auditors.
  - (7) Investors having in enterprises connected with the Fund member and, in general, with the group of companies to which the Fund member belongs, positions or duties corresponding to those listed in sub-paragraphs (5) and (6).
  - (8) Up to second-degree relatives and spouses of the persons listed in sub-paragraphs (5), (6) and (7), as well as third parties acting for the account of such persons.
  - (9) Investors-clients of a Fund member responsible for facts pertaining to the Fund member that have caused its financial difficulties or have contributed to the worsening of its financial situation or have profited from these facts.
  - (10) Other firms in the same group.
  - (11) 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.
- 2) In the cases referred to in subparagraphs (5), (6), (7), (8), and (10), the Fund shall suspend the payment of compensation, notifying the interested parties accordingly, until it reaches a final decision as to whether the conditions for their application are met.

#### **Determination of the compensation payable – Maximum amount of cover**

- (1) The calculation of the compensation payable shall arise from the sum of the total established claims of the covered client against the Fund member, arising from all covered services provided by the member 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.
- (2) The Fund provides coverage for the claims referred to above (covered services and claims), which applies to the total claims of the covered client against the Company and is defined as the lower of 90% of the cumulative covered claims of the client and €20,000.
- (3) In the case of joint investment business:
  - (a) in the calculation of the coverage provided for in subparagraph (2), the share attributable to each covered investor shall be taken into account;
  - (b) the claims shall be allocated equally amongst covered investors, unless there exist special provisions, and without prejudice to section (c), each investor is provided with separate coverage pursuant to the provisions of subparagraph (2);
  - (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

subparagraph (2), be aggregated and treated as if arising from an investment made by a single investor.

(4) Where a covered client is not the ultimate beneficiary of the funds or financial instruments held by the member:

(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 DI87-07.

(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) 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.

### **Initiation of the compensation payment procedure**

The Fund shall initiate the compensation payment procedure when:

(a) the Commission has determined that a member appears, for the time being, for reasons directly related to its financial circumstances, to be unable to meet its obligations arising out of investors' claims and has no early prospect of being able to do so (or)

(b) a Court of the Republic, has made a ruling, for reasons directly related to a member financial circumstances, which has the effect of suspending investors' ability to make claims against it.

The Commission shall issue its decision for the initiation of the compensation payment procedure by the Fund within a reasonable time, and publish the relevant information on its website.

### **Conditions and procedures for the payment of compensation**

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 Fund member, which derives from an investment operation;

(c) the submission of an application form as prescribed in the directive DI87-07

(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

**More detailed information regarding the Investor Compensation Fund can be found in Directive DI87-07 concerning the operation of the Investor Compensation Fund, available on the website of the Cyprus Securities and Exchange Commission.**

Nicosia, September 2025

For,

**GMM GLOBAL MONEY MANAGERS LTD**