

## Information regarding The Romanian Investors Compensation Fund

The Romanian Investors Compensation Fund (Fondul de Compensare a Investitorilor) or the Fund is a legal person established as a joint-stock company according to its articles of incorporation, preliminary approved by the Romanian National Securities Commission (Comisia Nationala a Valorilor Mobiliare - C.N.V.M.).

All the intermediaries authorised to provide investment services and management companies, which manage individual investment portfolios, are required to be members of the Fund.

The Fund's main object of activity is to collect contributions from the members and to pay out compensation to the investors when a member fails to return the money and/or the financial instruments owed by or belonging to investors, which have been held and/or managed on their behalf for the provision of investment services, up to the compensation limit established according to the regulations issued by C.N.V.M.

The Fund compensates the investors in any of the following situations:

- a) C.N.V.M. has acknowledged that, for the time being, from its point of view, a Fund member, for reasons directly linked to its financial situation, is not able to meet its obligations resulted from investors' claims and furthermore, there is no possibility for the member to meet these obligations in the shortest time possible;
- b) the competent legal authority, for reasons directly or indirectly linked to the financial situation of a Fund member, has issued a final decision that has as a result the suspension of investors from the possibility of exercising their rights as regards the resolution of their claims against the said company.

The Fund compensates the investors taking into consideration the principles of equal treatment and non-discrimination up to the following compensation limits:

- a) from the 1st of January 2009: the "RON" equivalent of EUR 9,000 per individual investor;
- b) from the 1st of January 2010: the "RON" equivalent of EUR 11,000 per individual investor;
- c) from the 1st of January 2011: the "RON" equivalent of EUR 15,000 per individual investor;
- d) from the 1st of January 2012: the "RON" equivalent of EUR 20,000 per individual investor.

The compensation granted within the above compensation limits will apply to the total claims of investor on the same state of the Fund, irrespective of the number of accounts opened, to the currency in which the investment was made or the location of the accounts within the framework of the European Union.

The equivalent in RON of the obligation of compensation for monetary funds in foreign currency will be calculated using the reference rate published by B.N.R. for that foreign currency, in force at the date of the discovery of the situations referred to in Article 47 of Law No 297/2004 on the capital market.

The equivalent in RON of the obligation of compensation for financial instruments shall be calculated using the market value for those financial instruments at the formal date of the situations referred to in Article 47 of Law No 297/2004 on the capital market.

Each investor who is part in a joint account of the investment will be taken into account in the calculation of the compensation referred by the Article 30. In the absence of special provisions claims will be divided equally among investors.

The claims relating to the operations carried out in a joint account of investments to which they are entitled 2 or more investors, in their capacity as members of the partnership, association or grouping of a similar nature which has no legal personality, for the purpose of calculating the amount of the investment compensated for within the compensation limits referred to above will be treated as resulting from an investment made by a single investor.

The Fund shall set a period during which investors shall be required to formulate demands. This period may not be less than 5 months from the date on which is made public C.N.V.M. finding

or judgment of the inability of the member of the Fund to return the monetary funds and/or financial instruments belonging to investors.

The fund will ensure the payment of compensation in the subject to the compensation limits referred to above in the shortest time possible, but not later than 3 months of the date of the evaluation and validation of eligible claims of the investors.

In circumstances of exceptional and in special cases, the Fund may require the NSC an extension to the period of 3 months, which may not exceed three months.

Without taking into consideration the time limit of 3 months, when an investor or any other person entitled to compensation or having an interest in connection with the investment services are under criminal investigation in connection with an action arising out or related to money laundering, as defined in Law no. 656/2002 in relation on punishing and preventing money laundering, the Fund will suspend any payment until the Court gives a final and irrevocable decision. In this respect, the Fund shall forward to the authorities the legal investors list to be offset in order to confirm their non - involvement in the operations of money laundering. Claims arising out of transactions in connection with which it was delivered a criminal conviction for committing a crime of money laundering will be excluded from any compensation.

Consequently, the following categories of investors are excluded from compensation:

- a) Professional and institutional investors, including:
  - investment firms as defined in the law regarding credit institutions and the capital adequacy;
  - credit institutions as defined in the law regarding credit institutions and the capital adequacy;
  - financial institutions as defined in the law regarding credit institutions and the capital adequacy;
  - insurance undertakings;
  - collective-investment undertakings;
  - pension funds.Other professional and institutional investors set out by C.N.V.M. regulations.
- b) international institutions, governments and other central administrative authorities;
- c) regional and local administrative authorities;
- d) administrators, including managers, directors and other relevant persons, persons whose responsibility is to audit the Fund's members, their shareholders with holdings that exceed 5% of the share capital, as well as investors with a similar position within other companies of the same group as the Fund's members;
- e) spouses, first rank relatives and in-laws as well as the persons acting on behalf of the international institutions, governments and other central administrative authorities;
- f) other legal persons in the same group as Fund's members;
- g) investors who have any responsibility for or have taken advantage of certain facts relating to a Fund's member which gave rise to the member's financial difficulties or contributed to the deterioration of its financial situation;
- h) companies which are of such a size that they are not permitted to draw up abridged balance sheets according to the accounting principles into force.