



FxPro Financial Services Limited

Investor Compensation Fund

('ICF') Notice

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1. INTRODUCTION

- 1.1 FxPro Financial Services Limited (hereinafter referred to as 'FxPro' or the 'Firm') is an investment firm that operates as a global broker.
- 1.2 FxPro is incorporated (Certificate of Incorporation No. 181344) in the Republic of Cyprus through the [Department of Registrar of Companies and Official Receiver](#).
- 1.3 FxPro is authorised and regulated by the [Cyprus Securities and Exchange Commission](#) ('CySec') (Licence No. 078/07) and operates under the Markets in Financial Instruments Directive (EU Directive 2004/39/EC) ('MiFID').

2. INTERPRETATION OF TERMS

- 2.1 Unless indicated to the contrary, the defined terms included in this Investor Compensation Fund ('ICF') Notice shall have a specific meaning and may be used in the singular or plural as appropriate.
 - a. '**FxPro Client**' shall have the same meaning as the 'client' referred to in the FxPro Client Agreement, as amended from time to time.

3. SCOPE OF THE FUND

- 3.1 Pursuant to section 17 of the Investment Services and Activities and Regulated Markets Law of 2007 ('the Law'), FxPro is a member of the Investor Compensation Fund ('ICF') and complies, at all times, with the obligations imposed by Part VII of the Law and other relevant sections of the Investment Firms Laws of 2002 to (No.2) of 2004, enacted for the purposes of harmonization with the Act of

the European Community entitled 'Directive 97/9/EC of the European Parliament and of the Council of 3 March 1997 on Investor Compensation Schemes' (EE L084 of 26 March, p. 0022).

4. PURPOSE OF THE FUND

- 4.1 The purpose of the ICF is to secure the claim of a *Covered Client* against FxPro, in case the Firm is unable to meet any of its obligations that arise as a result of a *Covered Client's* claim regarding the provision of investment or ancillary service(s) and the Firm's financial position is unlikely to change in the foreseeable future.
- 4.2 ICF pays compensation to a *Covered Client* for a successful claim brought in relation to a *Covered Service* provided by the Firm given that the Firm's failure to fulfil its obligations has been established.
- 4.3 Failure by FxPro to fulfil its obligation to a *Covered Client* consists of the following:
 - either failure to return funds owed to a *Covered Client* or funds which belong to a *Covered Client* but are held by FxPro, directly or indirectly, and which the former requested the Firm to return in the context of exercising a right under the Terms and Conditions;
 - or failure to hand over to a *Covered Client* financial instruments that rightfully belong to them and which the Firm holds, manages, or keeps on its account, including but not limited to situations where FxPro is responsible for the administrative management of the relevant financial instruments.

5. MANAGEMENT OF THE ICF

- 5.1 The management of the ICF is exercised by an Administrative Committee that consists of five members who attain the knowledge and expertise to fulfil their duties and obligations; the management of the ICF includes its administration and representation.

6. COVERED CLIENTS

- 6.1 An *FxPro Client* is a *Covered Client* unless he/she falls within the categories mentioned in the 'Second Schedule' of the Investment Firms Laws of 2002 to (No.2) of 2004 which expressly states that:

[ICF] does not compensate the following investor categories:

(1) The following categories of institutional and professional investors:

- (a) IFs -*
- (b) legal entities associated with the member of the Fund and, in general, belonging to the same group of companies,*
- (c) banks,*
- (d) cooperative credit institutions,*
- (e) insurance companies,*
- (f) collective investment organizations in transferable securities and their management companies,*
- (g) social insurance institutions and funds,*
- (h) investors characterized by the member as professionals, upon their request, in accordance with articles 14 and 15 of the Code of Professional Conduct of IFs.*

(2) States and international organizations.

(3) Central, federal, confederate, regional and local administrative authorities.

(4) Enterprises associated with the member of

the Fund, in accordance with the Fifth Schedule of the Law.

(5) Managerial and administrative staff of the member of the Fund.

(6) Shareholders of the member of the Fund, whose participation directly or indirectly in the capital of the member of the Fund amounts to at least 5% of its share capital, or its partners who are personally liable for the obligations of the member of the Fund, as well as persons responsible for the carrying out of the financial audit of the member of the Fund as provided by the Law, such as its qualified auditors.

(7) Investors having in enterprises connected with the member of the Fund and, in general, of the group of companies, to which the member of the Fund belongs, positions or duties corresponding to the ones listed in paragraphs (5) and (6).

(8) Second-degree relatives and spouses of the persons listed in paragraphs (5), (6) and (7), as well as third parties acting for the account of these persons.

(9) Apart from the investors referred to in subsection (2) of section 55 of the Law, investors-clients of a member of the Fund responsible for facts pertaining to the member of the Fund that have caused its financial difficulties or have contributed to the worsening of its financial situation or which have profited from these facts.

(10) 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 of paragraphs (5), (6), (7) and (8), the Fund suspends the payment of

compensation informing the interested parties accordingly, until it reaches a final decision as to whether such cases apply.

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7. COVERED SERVICES

- 7.1 ICF shall compensate any *Covered Client* of FxPro in respect of a claim arising out of a *Covered Service* meaning any investment or ancillary service(s) provided at the time by the Firm and presented on http://www.cysec.gov.cy/licence_members_3_en.aspx (investment services) and http://www.cysec.gov.cy/licence_members_4_en.aspx (ancillary services).
- 7.2 It should be noted that ICF shall pay no compensation to an individual who has been convicted of a criminal offence related to the Prevention and Suppression of Money Laundering Activities Law.

8. AMOUNT OF COMPENSATION

- 8.1 FxPro shall pay compensation to a *Covered Client* of up to EUR20.000,00 (or currency equivalent); the calculation of the exact amount derives from the sum of total established claims of a *Covered Client* against the Firm arising from all *Covered Services* provided, regardless of the number of accounts, of which the *Covered Client* is a beneficiary.

9. FAQs

- 9.1 Questions regarding the ICF Notice should be addressed, in the first instance, to the Customer Support Department.
- 9.2 Customer Support Department
Email: support@fxpro.com
Telephone: +357 25 969 222

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