



CAYMAN ISLANDS MONETARY AUTHORITY

22 April 2020

Ms. Adisa Zonic and Mr. Tomislav Lijovic
Directors
Balkan Investment Opportunity Fund
c/o Forbes Hare Trust Company Limited
Cassia Court, Camana Bay, Suite 716
10 Market Street,
Grand Cayman KY1-9006
CAYMAN ISLANDS

BY Email:

Dear Ms. Zonic and Mr. Tomislav,

Re: Decision Notice - Balkan Investment Opportunity Fund (Reg. #14097) ("the Fund")

The Cayman Islands Monetary Authority ("the Authority") writes to you in your capacity as Directors of the Fund. We refer to the Warning Notice dated 23 August 2017 and to our numerous communications regarding the Fund's non-compliance with the Mutual Funds Law (2020 Revision) ("the Law").

The Fund remains in breach of the Law as follows:

- section 8(1) and 8(2) for failing to prepare and submit audited accounts to the Authority for the years ended 31 December 2009 to 31 December 2018.

In addition, the Fund is in contravention of the Anti-Money Laundering Regulations (2020 Revision) ("AMLRs") as follows:

- regulation 3(1)- Failure to appoint a Money Laundering Compliance Officer;
- regulation 33(1) Failure to appoint a Money Laundering Reporting Officer; and
- regulation 33(2)- Failure to appoint a Deputy Money Laundering Reporting Officer.

TAKE NOTICE:

The Cayman Islands Monetary Authority of SIX, Cricket Square, P.O. Box 10052, Grand Cayman KY1-1001, Cayman Islands, has taken the following action.

ACTION:

The Authority has cancelled the Fund's mutual fund registration pursuant to section 30(3)(a) of the Law.

REASONS:

The Authority is, pursuant to sections 30(1)(a), (ba) and (d) of the Law, satisfied that (i) the Fund is or is likely to become unable to meet its obligations as they fall due; (ii) the Fund has

contravened the Mutual Funds Law, and AMLRs; and (iii) the direction and management of the Fund has not been conducted in a fit and proper manner.

EFFECTIVE DATE OF DECISION:

The Authority's decision regarding the above action is effective **21 April 2020**.

Yours faithfully,



Cindy Scotland
Managing Director