

A large, stylized blue geometric shape, resembling a stylized 'L' or a building, is positioned on the left side of the page. It has a white outline and a small orange triangle at its top right corner.

INVESTOR COMPENSATION FUND NOTICE

MITRADE EU LIMITED

1. Introduction

(1) Mitrade EU Limited ("**Mitrade**" or the "**Company**"), is an investment firm authorised and licensed by the Cyprus Securities and Exchange Commission (the "**CySEC**") under license no. 438/23. In accordance with the provisions of the Investment Services and Activities and Regulated Markets Law of 2017, L. 87(I)/2017 (the "**Law**"), the Company is a member of the Investor Compensation Fund (the "**ICF**" or the "**Fund**").

2. Purpose

- (1) The main objective of the Fund is to secure the claims of covered clients against members of the Fund, in case where the member concerned, due to its financial circumstances, is unable to fulfil its obligations.
- (2) The Fund compensates covered clients, in accordance with the legal and contractual conditions applicable, for claims arising due to the member's failure to:
 - a) Repay the funds owed to covered clients or belonging to them and held on their behalf in connection with investment operations; or
 - b) Return to covered clients any financial instruments belonging to them and held, managed or administered on their behalf in connection with investment operations.

3. Covered Clients

- (1) The Fund covers all clients of Mitrade, except those belonging into the following categories:
 - a) Institutional and professional investors including:
 - Investment Firms;
 - Legal entities associated with Mitrade and, in general, belonging to the same group of companies
 - Banks
 - Cooperative credit institutions
 - Insurance companies
 - Collective investment organizations in transferable securities and their management companies
 - Social insurance institutions and funds
 - Investors characterized by the Company as professionals upon request (i.e. **Elective Professionals**).
 - b) Supranational institutions, government and central administrative authorities.
 - c) Provincial, regional, local and municipal authorities.
 - d) Enterprises who have close ties with the Company.
 - e) Managerial and administrative staff of the Company.
 - f) Shareholders of Mitrade, whose participation directly or indirectly in the capital of Mitrade

amounts to at least 5% of its share capital, or its partners who are personally liable for the obligations of Mitrade, as well as persons responsible for the carrying out of the financial audit of Mitrade, such as its qualified auditors.

- g) Investors having in enterprises connected with the Company and, in general, of the group of companies, to which Mitrade belongs, positions or duties corresponding to the ones listed in points (e) and (f).
- h) Up to second-degree relatives and spouses of the persons listed in paragraphs (e), (f) and (g), as well as third parties acting for the account of these persons.
- i) Investors-clients of Mitrade responsible for facts pertaining to Mitrade that have caused its financial difficulties or have contributed to the worsening of its financial situation or which have profited from these facts.
- j) Other firms belonging to 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.

(2) In the cases of the above paragraphs (e), (f), (g), (h) and (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.

4. Covered Services

(1) Covered services are the investment and ancillary services provided by Mitrade, that are listed on Company's licence (Licence No. 438/2023), issued by the Cyprus Securities and Exchange Commission.

5. Compensation Payment Procedure

(1) The Fund initiates the compensation payment procedure when at least one of the following preconditions is fulfilled:

- a) CySEC has determined that the Company, is unable, at present, to meet such of its duties and obligations arising from its investor-clients' claims for reasons that are directly related to its financial circumstances and in respect of which there is no foreseeable prospect of improvement in the near future, or;
- b) a Court of the Republic, has made a ruling, for reasons directly related to the financial circumstances of the Company, which has the effect of suspending investors' ability to make claims against it.

(2) CySEC 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.

(3) Upon the commencement of the compensation payment process, the Fund shall publish as soon as possible, in at least two newspapers of national coverage, an invitation to the covered clients to make their claims against the Company arising from covered services. The invitation outlines the procedure for the submission of the relevant compensation applications, the deadline for the submission and the content of such applications. The said publication shall be communicated immediately to the CySEC, which shall post the publication on its website.

(4) Upon completion of the procedure, 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 Company within five working days from its issue; The said decision shall also list those clients to whom no compensation shall be paid, and the reasons for this;
- b) communicate to each affected client its decision the soonest possible.

6. Compensation Payment Conditions

(1) The payment of compensation by the Fund shall require 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 in time of a duly completed application form as prescribed in the Directive DI87-07 of the CySEC;
- d) that the claims do not arise from transactions for which there has been a criminal conviction for money laundering;
- e) that there are no pending criminal proceedings against the covered client for money laundering; and
- f) the right of the covered client has not been extinguished under the Limitation of Offenses Act.

7. Amount Of Compensation

- (1) The amount of compensation payable to each covered client is calculated in accordance with the legal and contractual terms governing the relation of the covered client with the Company, subject to the set-off rules applied for the calculation of the claims between the covered client and the Company.
- (2) The calculation of the payable compensation arises from the sum of the total established claims of the covered client against the Company, emerging from all covered services provided by the Company and regardless of the number of accounts, of which it is a beneficiary, the currency and place of provision of these services.
- (3) The maximum amount of compensation that may be paid to a covered client of the Company will be the lower of 90% of the cumulative covered claims of the covered client and €20.000.
- (4) The currency in which compensation is paid to investors shall be the Euro. Where the funds and/or the financial instruments are expressed in a currency other than 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 has been initiated shall be used.
- (5) The Fund may at any time require the covered client to return the compensation paid to it if it subsequently establishes that there has been a reason for the rejection of the application,

8. Objection To The Fund's Decision

- (1) 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 be entitled *"Objection to the decision of the ICF"*.
- (2) The CySEC, in the context of examining an objection, may:
 - Request from the Fund, and/or the Company and/or the claimant to submit information and particulars;
 - Conduct any investigation required.
- (3) CySEC must conclude the examination of the objection within forty-five (45) days and in case that it identifies an error in the evaluation carried out by the Fund, it shall request in writing from the Fund to immediately rectify the mistake and pay the claimant the correct amount and inform the affected client accordingly.

For more information and/or clarifications regarding the preconditions and formalities for the payment of compensation, please contact us via email at cs.eu@mitrade.com



MITRADE EU LIMITED IS INCORPORATED IN THE REPUBLIC OF CYPRUS, WITH REGISTRATION NUMBER HE 420923 AND REGISTERED ADDRESS AT 79, SPYROU KYPRIANOU AVE., MGO PROTOPAPAS BUILDING, 1ST FLOOR, 3076, LIMASSOL, CYPRUS. MITRADE EU LIMITED IS AN INVESTMENT FIRM, AUTHORISED AND REGULATED BY THE CYPRUS SECURITIES AND EXCHANGE COMMISSION (CIF NO.438/23).