INVESTOR COMPENSATION FUND

TITANEDGE SECURITIES LTD

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Titanedge Securities Ltd with Registration Number HE 411909, is regulated and authorized by the Cyprus Securities and Exchange Commission under license number 405/21.

1. INTRODUCTION

1.1. Titanedge Securities Ltd ("the Company") is a member of the Investor Compensation Fund, the 'Fund'. The Fund was established under the Investment Firms Law 2002 as amended and replaced by L87(I)/2017 regarding the provision of investment services, the exercise of investment activities and the operation of regulated markets (the "Law") and Directives DI 144-2007-15, CP (2017-02) and DI87-07 for the operation of the Investor Compensation Fund (the "ICF") in addition to the Policy Statement PS-02-2019 on the Replacement of the Legal Framework governing the operation of the Investors Compensation Fund. The Fund constitutes a private legal entity and its administration is exercised by an Administrative Committee of five members, who are designated for a three-year term. The Fund has been operating since 30th May 2004. The Investor Compensation Fund for IF Clients ("ICF") is the Fund of its members, established pursuant to Article 59(1) and (2) of Law 144(I)/2007 which provides for the Provision of Investment Services, the Exercise of Investment Activities, the Operation of Regulated Markets and other Related Matters ("the Law") as an investor compensation fund for CIF clients other than credit institutions and its powers and functions are regulated by the provisions of the Law and of the Directive 144-2007-15 of the Cyprus Securities and Exchange Commission ("CySEC") for the Continuance of the Operation and the Operation of the IF Investor Compensation Fund ("the Directive"). The purpose of the ICF is to secure the claims of covered clients against the ICF members through the payment of compensation if the necessary preconditions are fulfilled.

2. COVERED CLIENTS

2.1. The Fund covers the clients of the Company, except those belonging into the following categories:

a. institutional and professional investors:
   i. Investment Firms (IFs);
   ii. Legal entities associated with the member of the Fund and, in general, belonging to the Same group of companies;

iii. Banks;
iv. Cooperative credit institutions;
v. Insurance companies;
vi. Collective investment organizations in transferable securities and their management companies;
vii. Social insurance institutions and funds;
viii. Investors characterized by the member as professionals, upon their request.

b. States and supranational organizations;
c. Central, federal, confederate, regional and local administrative authorities;
d. Enterprises associated with the member of the Fund;
e. Managerial and administrative staff of the member of the Fund;
f. 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, such as its qualified auditors;
g. 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 (v) and (vi);
h. 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. Apart from the investors, investors-clients of a member of the Fund responsible for facts pertaining to the member of the Fund that has caused its financial difficulties or has contributed to the worsening of its financial situation or which have profited from these facts.
j. Investors in the form of a company, which due to its size, is not allowed to draw a summary balance sheet.

2.2. In the cases of articles 2.1. [(e), (f), (g) and (h)], the Fund suspends the payment of compensation informing the interested parties accordingly; until it reaches a final decision as to whether such cases apply.

3. COVERED SERVICES

The Fund will compensate the Company's covered customers as to the covered investment services and ancillary services offered by the Company as described on its authorization and can be found in the website of the CySEC as well as below:

a. Investment services to the Customer:
   - Reception and transmission of Orders of the Customer in any type of financial instrument offered by the Company;
   - Execution of Orders on behalf of the Customer in any type of financial instrument offered by the Company.

b. Subject to the Customer's obligations under the Service Agreement being fulfilled, the Company may at its discretion offer the following ancillary services to the Customer:

   i. Safekeeping and administration of financial instruments for the account of customers, including custodianship and related services such as cash/collateral management;
   ii. Granting credits or loans to an investor to allow him to carry out a transaction in one or more financial instruments, where the Company granting the credit or loan is involved in the transaction;
   iii. Foreign exchange services where these are connected to the provision of investment services.

c. In regard to the aforementioned investment services provided by the Company, they relate to the following type of financial instrument(s):

   Financial contracts for differences.

4. OBJECT OF THE FUND

4.1. The object of the Fund is to secure the claims of the covered customers against the members of the Fund by the payment of compensation for their claims arising from the covered services provided by its members, so long as failure by the member to fulfil its obligations has been ascertained.

The term failure denotes the inability of the Company to:

i. Either return to its covered customers funds owed to them or funds which belong to them but are held by the Company, directly or indirectly, in the context of the provision by the Company to the said customers of covered services, and which the latter requested the Company to return, or
ii. To hand over to the covered customers financial instruments which belong to them and which the Company holds, manages or keeps on their account, including cases where the Company is responsible for their administrative management of the said financial instruments.

4.2. The Payment by the Fund to the customers of its members is subject to the existence of a well-founded claim by the customers against the member of the Fund.

5. PRECONDITIONS FOR THE INITIATION OF THE COMPENSATION FUND

5.1. The Fund initiates the payment procedure when at least one of the following causes is fulfilled:

a. CySEC has determined by Resolution that the member of the Fund is unable to meet any of its duties arising from its investors-customers' claims, in connection with the covered services it has provided, as long as such inability is directly related to the member's financial position which has no realistic prospect of improvement in the near future, or
b. A judicial authority has on reasonable grounds, directly related to the financial position of the member, made a ruling which suspends the customers' ability to lodge claims against the member.

5.2. Upon issuing a decision by CySEC or by the Court as per 5.1, on the commencement of the compensation payment procedure, the Fund will proceed to Invitation procedures as explained on article 6.2 below.

6. COMPENSATION OF COVERED CLIENTS AND APPLICATION PROCEDURES

6.1. The amount of compensation payable to each covered customer is calculated in agreement with the legal and contractual terms governing the relation of the covered customer with the member, subject to the set-off rules applied for calculations of the claims between the two parties. The calculation of the compensation payable derives from the sum of the total established claims of the covered client against the member, arising from all covered services provided by the member and regardless of the number of accounts of which the customer is a beneficiary, the currency and place of provision of these services.

The valuation of the financial instruments pertaining to the compensation payable to the covered customer is carried out based on the value of the day:

i. Of publication of a court ruling which has the effect of suspending the investors' ability to lodge claims against the member based on reasonable grounds directly related to the financial circumstances of the member of the Fund;

ii. Of publication of the decision of CySEC that the member of the Fund, is unable to meet any of its duties arising from its customers' claims in connection with the covered services it has provided, as long as such inability is directly related to its financial circumstances in respect of which no realistic prospect of improvement in the near future seems foreseeable.

The maximum amount to be compensated to the claimant is twenty thousand Euros (€20.000) or 90% of the covered investor's claim, whichever is lower. Where the investment firm providing services to its customers through a branch situated in a third country, the amount of the maximum compensation payable to the customers of the branch is, per customer, that lump sum paid by any investor compensation scheme in operation in the third country, without exceeding the amount of twenty thousand Euros (€20.000) or 90% of the covered investor's claim, whichever is lower.

6.2. The Procedure relating to the invitation of covered clients to submit Applications is as follows:

a. Upon issuance of a decision by the Court or by CySEC, on the commencement of the compensation payment process, the Fund publishes in at least three newspapers of national coverage, an invitation to the covered clients to make their claims against the member of the Fund arising from covered services, designating the procedure for the submission of the relevant applications, the deadline for their submission and their content.

b. The publication contains at least:

   i. The name and address of the headquarters of the member of the Fund, to whom the covered client compensation process has been activated through the Fund
   ii. The deadline for the submission of compensation applications, which cannot be less than five months and greater than nine months from the last publication
   iii. The mode and address of submission of applications

c. The address at which investors may be informed about the exact content of the applications to be submitted, and get the relevant form provided by the Fund

6.3. In case a covered client, not being its fault, was neither informed about the invitation to submit compensation applications nor in a position to submit within the deadline this application, the deadline is interrupted provided that an interruption of the deadline arises in case of an event of force majeure, as long as it has been proved that it prevented the keeping of the deadline for the submission of compensation applications or the collection and submission of the required information.

Indications that the covered client has an impediment for which he is not responsible and which forms a reason for the interruption of the deadline for the submission of a compensation application include especially:

i. Proved absence of the covered client abroad for a period which includes at least half of the deadline for the submission of a timely application;

ii. illness confirmed by a doctor that it forms a serious impediment for the submission of an application for a period which includes at least half of the deadline for the submission of a timely application; or
iii. His stay in a correctional institution for a period which includes at least half of the deadline for the submission of a timely application.

A covered client who submits an application late to the Fund for the payment of compensation is obliged to submit, in addition to the information forming the necessary minimum content of the application a solemn declaration stating the reason for which he was not in a position to claim compensation in time attaching the necessary supporting evidence to prove his allegations.

6.4. The compensation applications of covered clients with which they make their claims against a member of the Fund are submitted to the Fund in writing. The compensation applications must include:

i. The name of the claimant;
ii. The address, telephone and fax numbers as well as any email address of the claimant;
iii. The client code that the claimant had for the member of the Fund;
iv. The particulars of the covered services agreement between the Fund and the claimant;
v. The type and amount of the alleged claims of the claimant; and
vi. The exposition of the particulars from which the alleged claims of the claimant and their amount are derived.

The Fund may ask for more information included in the compensation application, which it communicates with its publication in at least three newspapers of national coverage as well as in the Official Gazette of the Republic, and puts a catalogue with this information at the disposal of investors, at its offices and/or at the offices of the member of the Fund.

6.5. The Fund designates at least one qualified auditor and at least one lawyer with knowledge on capital market issues, who after having checked initially the prerequisites, they evaluate the claims submitted to the Fund and recommend to the Administrative Committee their acceptance in total or in part or their rejection. In case of disagreement between these persons, each one them submits a

separate recommendation. The remuneration of the persons is agreed between the Fund and these persons and burdens the member of the Fund, and, if necessary, is paid by the Fund.

The persons in order to evaluate the applications will:

i. Ask from the member of the Fund to express its opinion about the grounds of the claims alleged by the claimants and, in case of doubt, to present the relevant supporting documents;
ii. Evaluate, based on the information they have, the applications, determining the amount of the compensation for each claimant.

The persons have full access to the books kept by the member of the Fund, in order to accomplish their work, and they are obliged to exhibit confidentiality against any third party as to the information coming to their knowledge in the exercise of their duties provided that the said obligation of confidentiality is disregarded in order to render possible the exercise of their duties.

6.6. Upon submission of the applications the Administrative Committee has control especially if:

i. The claimant falls within the category of covered clients;
ii. The application was timely submitted;
iii. The conditions of legislation and of this Policy for the valid submission of compensation applications are fulfilled.

The Administrative Committee rejects the application in case the claimant does not fulfill the above conditions or, if at the Administrative Committee's discretion, there exist at least one of the following reasons:

i. The claimant used fraudulent means in order to secure the payment of compensation by the Fund, especially if it knowingly submitted false evidence;
ii. The damage suffered by the claimant substantially derived from concurrent negligence or offence on its behalf in relation to the damage it suffered and to its underlying cause.

The Administrative Committee during the examination of the applications takes into consideration the recommendations of the persons and decides on the applications submitted to the Fund determining the amount of the compensations for each covered client-claimant.

6.7. The Fund may demand at any time from a covered client to return the compensation paid to it, if it finds out posteriori that there was a reason to reject its application.

6.8. Upon completion of the valuation, the Fund:

i. Issues minutes listing the customers of the member of the Fund which are compensation beneficiaries along with the amount of money each one of them is entitled to receive, and, communicates it to CySEC and the member of the Fund within five working days from its issue; and
ii. communicates to each affected customer its finding no later than fifteen days from the issue of the minutes referred to above communicates to each affected client its finding no later than fifteen days from the issue of the minutes determining the total compensation amount this client is entitled to receive.

CySEC, in order to ensure that the provisions of the legislation in force in the Republic are fulfilled during the examination of the applications and the calculation of the amount of the corresponding compensation per covered client, may:

i. Request from the Fund, the member of the Fund and the claimant to produce information and particulars;
ii. Run any investigation required, implementing the relevant provisions of CySEC (Establishment and Responsibilities) Laws of 2001 and 2002, as in force, and especially those provisions enacting the powers of the CySEC for entry and investigation.

The claimant to whom the Fund communicates the total compensation amount to which it is entitled, in case it disagrees with the Fund's decision, has the right within ten days from the communication of the decision, to appeal to CySEC, justifying sufficiently its alleged claim. The CySEC, as long as it finds errors or inaccuracies as to the evaluation by the Fund of the applications for the payment of compensation and the fixing of the compensation for each claimant, taking into consideration any memos submitted to it by

claimants, may demand from the Fund to correct the payable compensations with a decision communicated to the Fund within forty- five days from the communication to it of the minutes of the compensation beneficiaries.

6.9. The Fund is obliged to pay to each covered customer-claimant the compensation within three months from sending to CySEC the minutes with the compensation beneficiaries. The payment of the compensation by the Fund is deposited to a bank account of the covered customer- claimant designated by the latter in writing to the Fund. Every compensation payable to a covered customer burdens initially the property of the Fund corresponding to the individual shares of its members and then the assets of the fixed reserve.

6.10. The payment of any compensation by the Fund entails ipso jure subrogation of the Fund to the rights of the compensated covered customer-claimant against the member of the Fund for an amount equal to the compensation payable to it.