KLEIS EU LIMITED
INVESTMENT COMPENSATION NOTICE

KLEIS EU LTD, is a limited company registered in Cyprus under company number HE433552, and is authorized and regulated by the Cyprus Securities and Exchange Commission with License No 436/23. Its registered office is at Archiepiskopou Leontiou I, Maximos Court A , 7th Floor , 3020 Limassol, Cyprus.
Risk Warning: Please note that trading in forex and other leveraged products may involve a significant level of risk and is not suitable for all investors. Before undertaking any such transactions, you should ensure that you fully understand the risks involved and seek independent advice if necessary.

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1. INTRODUCTION

KLEIS EU LTD (hereinafter referred to as the "Company"), a Cyprus Investment Firm licensed and regulated by the Cyprus Securities and Exchange Commission ("CySEC") under license number 436/23 having granted authorisation to provide the Investment Services.

The notice provides an explanation on who is eligible for compensation under the ICF and applicable legislation as well as how to apply.

2. REGULATORY CONTEXT – LEGAL FRAMEWORK

This Investment Compensation Fund notice is issued pursuant to, and in compliance with the requirements of:

- the Law 87(I)/2017 regarding the provision of investment services, the exercise of investment activities and the operation of regulated markets and other related matters, as amended from time to time (the "Law");
- Directive DI144-2007-15 of 2015 regarding the continuance of Operation and the Operation of the CIF Investor Compensation Fund.

3. SCOPE

Pursuant to section 17 of the Investment Services and Activities and Regulated Markets Law of 2017 (the 'Law'), Kleis EU Ltd. (referred to as "the company") is a member of the Investor Compensation Fund ('ICF') which has been established pursuant to section 59(1) and (2) of the Law, the obligations of the ICF are governed by the provisions of the Directive DI144-2007-15 of 2015 of the Cyprus Securities and Exchange Commission for the Continuance of Operation of the CIF Investor Compensation Fund (the 'Directive'), and Kleis EU complies, at all times with the provisions of the abovementioned Law and Directive.

4. PURPOSE OF THE FUND

The purpose of the ICF is to secure the claim of a Covered Client (as defined in applicable legislation) against the company, in case the company 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 company's financial position is unlikely to change in the foreseeable future, provided that the criteria set out in applicable legislation have been fulfilled.

ICF pays compensation to a Covered Client for a successful claim brought in relation to a Covered Service provided by the company given that the company's failure to fulfil its obligations has been established.

Failure by the Company 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 the company, directly or indirectly, and which the former requested the company to return in the context of exercising a right under the "Client Agreement",
- or failure to hand over to a Covered Client financial instrument that rightfully belong to them and which the company holds, manages, or keeps on its account, including but not limited to situations where the company is responsible for the administrative management of the relevant financial instruments.

5. MANAGEMENT OF THE ICF

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

The ICF covers retail clients of the company. It does not cover 'Professional Clients' nor 'Eligible Counterparties'.

Also, the legal framework provides that persons who are subject to an ongoing criminal investigation in accordance with the provisions of "Prevention and Suppression of Money Laundering Activities Law", as amended from time to time, are not eligible to receive any compensation.

8.1 Subject to the provisions of subsection (2) of Paragraph 3 of the Directive, the Fund does not compensate the following investor categories:

- IFs
- legal entities associated with the member of the Fund and, in general, belonging to the same group of companies,
- banks,
- cooperative credit institutions,
- insurance companies,
- collective investment organisations in transferable securities and their management companies,
- social insurance institutions and funds,
- investors characterised by the member as professionals, upon their request.

8.2 Further, the law does not cover clients who are:

- States and international organisations.
- Central, federal, confederate, regional and local administrative authorities.
- Enterprises associated with the member of the Fund, in accordance with the Fifth Schedule of the Law.

- Managerial and administrative staff of the member of the Fund.
- 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.
- 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).
- 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.
- 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.
- 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.

In the cases of members of the fund as stated above, the Fund suspends the payment of compensation informing the interested parties accordingly, until it reaches a final decision as to whether such cases apply.

7. COVERED SERVICES

ICF shall compensate any Covered Client of the company in respect of a claim arising out of a Covered Service meaning any investment or ancillary service(s) provided at the time by the company and presented on CySEC public website under Cypriot Investment Firms (Link) .

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. PROCEDURE

The ICF will secure the claims of Covered Clients provided that one of the following pre-conditions is fulfilled:

I. Cyprus Securities and Exchange Commission (the 'CySEC') has determined by resolution that the company is unable to meet any duties that arise from a client's claim in connection to investment or ancillary services and there is no foreseeable realistic prospect of improvement in the near future; or

The fulfilment of the above precondition referred to in above is presumed where:

- The Firm submits to the Fund or to CySEC a written statement declaring its failure to fulfil its obligations towards the client; or
- The Firm files an application for liquidation in accordance with the provisions of the Companies Act CAP 113, as amended from time to time; or
- If CySEC has revoked or suspended the company's authorisation to provide investment services in accordance with the Law and ascertains that the company is not expected to be in a position to fulfil its obligations toward its clients in the near future, for reasons which do not consist a temporary lack of liquidity, which can be dealt with immediately.

II. A court has on reasonable grounds directly related to the financial circumstances of the company, issued a ruling which has the effect of suspending the client's ability to lodge claims against the investment firm.

Where a decision has been made (either by the court or by CySEC) to pay compensation, the ICF shall publicises, in at least three (3) national newspapers, an invitation directed to the Covered Clients to submit any claim vis-à-vis the company. The invitation shall also specify the procedure, manner, deadline and content with regards to the submission of any claim.

Each respective Covered Client who is willing to submit a claim against the company, shall submit its claim in writing to the ICF. Each claim shall include the following, amongst others:

- Name, address, telephone number, fax number, as well as his/her electronic mailing address,
- The Clients' number with the company;
- Details of the 'Client Agreement' between the Client and the company;
- Type and amount of claim;
- Provision of documentation from which the claims are based on as well as the amount of the claim.

In the event that the abovementioned provisions have not been fulfilled, the Administration Committee has the right to reject the claim.

Refusal of the claim may also occur where the Administration Committee deems that one of the following reasons is evident:

- The Client has submitted false documentation,
- the Client has suffered damage as a result of his own contributory negligence or as a result of an offence committed by the Client.

Following the completion of the assessment of the claim, the ICF publicises minutes which document the clients of the company who are eligible to receive compensation as well as the amount of money they are eligible to receive. A copy of the minutes shall be sent to CySEC with five (5) business days from the date of its publication.

Moreover, each eligible Client shall be notified within fifteen (15) business days (the latest) from the date that the issuance of such a decision, of the amount he / she is eligible to receive.

9. AMOUNT OF COMPENSATION

A Covered Client will be eligible for compensation of up to a maximum of Twenty Thousand Euros (€20.000, 00); the said coverage applies to the total amount of claims of a Covered Client towards the company, irrespective of the number of accounts, currency and place of provision of the service.

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 any set-off rules applied for the calculation of the claims between the Covered Client and the company.

Subject to the provisions of the Law and the Directive, the calculation of the payable compensation derives from the sum of total established claims of the Covered Client against the company, arising from all covered services provided by the company and regardless of the number of accounts which the Covered Client is a beneficiary, the currency and the place of the provision of these services.

In instances whereby beneficiaries of a joint account of the company are in their majority Covered Clients, the maximum amount payable to all co-beneficiaries of the account comes up to Twenty Thousand Euro (€20,000) and the compensation is fixed on the whole for all co-beneficiaries of the joint account and shall be divided between them in accordance with any agreement between them and the company, and/or in the absence of such an agreement, the amount shall be divided equally amongst them.