FIDELISCO CAPITAL MARKETS LTD

INVESTOR COMPENSATION FUND

Fidelisco Capital Markets (**FIDELISCO**) Ltd (hereinafter called the "**Company**") is a member of the Investor Compensation Fund (hereinafter called the "**Fund**"). The objective of the Fund is to secure any claims of covered clients against members of the Fund and the main essence of the Fund is to compensate covered clients for any claims arising from the malfunction by a member of the Fund to fulfill its obligations despite whether that obligation arises from legislation, the client agreement or from wrongdoing on the part of the member of the Fund.

Failure to execute its obligations consists of the following:

1. Failure to return to a covered client funds owed to them or funds which belong to them but are held by a member of the Fund, directly or indirectly, in the framework of the provision by the member of the Fund to the client of a covered service and which the client has requested that the member of the Fund returns in exercise of their relevant right; or
2. Failure to return to a covered client financial instruments which belong to them and which the member of the Fund holds, manages or keeps on its account, including the case where the member of the Fund is responsible for the administrative management of the said financial instruments.

The Company's Clients have the risk of losing their assets which are held by third parties, especially in case of their insolvency and in case the third parties are not covered by any investor compensation system and/or other insurance cover.

Covered Services

Covered Services are the investment services listed on the Company's license (license number 074/06) issued by the Cyprus Securities and Exchange Commission.

Covered Clients

The Company's Clients are all covered by the Fund unless they fall within the following categories:

1. The following categories of institutional and professional investors
   (a) Investment Firms
   (b) Legal entities associated with the Company 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 Company as professionals
2. States and supranational organizations
3. Central, federal, confederate, regional and local administrative authorities
4. Enterprises associated with the Company
5. All staff of the Company inclusive of Managerial and Administration staff

6. Shareholders of the Company 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 qualified auditors
7. Investors having an enterprise connected with the Company and in general of the group of companies to which the Company belongs, positions or duties corresponding to the ones listed in paragraphs 5 and 6 above
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 investors convicted of a criminal offence pursuant to the Prevention and Suppression of Money Laundering Activities Law of 1996 - 2000, investor-clients of the Company responsible for facts pertaining to the Company that has caused its financial difficulties or has 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.

Procedure for Decision to Commence the Compensation Payment Process

The Fund will commence the compensation payment process in at least one of the following circumstances:

1. The Cyprus Securities and Exchange Commission has determined by Resolution that a member of the Fund is unable to meet client claims provided that this inability is a result from its financial circumstances which show no prospect of improving in the near future; or
2. A judicial authority has on reasonable grounds directly related to the financial circumstances of the member issued a ruling with the effect that investors ability to lodge claims against it are suspended or that a well-founded claim by a client exists then the compensation payment procedure will commence.

Upon issuing a decision to initiate the compensation payment process, the Cyprus Securities and Exchange Commission will publish, in at least three national newspapers, an invitation to the covered clients to make their claims. In that invitation a procedure for submission of the relevant applications, a deadline for submission and the content will be outlined.

Amount of Compensation

The company's books will be used together with supporting evidence to ascertain the claims of a member and the amount payable will be calculated in accordance with the legal and contractual terms governing the relation of the client with the member of the Fund subject to set-off rules. The calculation of compensation payable will derive from the sum of the total established claims of the covered client arising from all covered services provided, regardless of the number of accounts of which it is a beneficiary, the currency and the place of provision of these services. If the claim exceeds €20,000 then the claimant is only entitled to receive a maximum of the equivalent of €20,000.