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| **INFORMATION TO CLIENTS IN RELATION TO THE INVESTOR COMPENSATION FUND** **1. INVESTOR COMPENSATION FUND*****Veles International Limited*** (the “Company”) is a member of the Investor Compensation Fund (‘ICF’ or the “Fund”) which is operating under the CySEC Investor Compensation Fund Directive DI87-07 of 2019 (the “Directive”). ICF invests at least 70% of the contributions made by its members (annual and extraordinary) in liquid government securities of the EU member states, interest-bearing accounts in banks operating in the EU and the accounts in the Central Bank of Cyprus. The Fund’s administration is exercised by the Administrative Committee of five members including the two of them elected by the general meeting of the Fund’s members. |
| **2. COVERED CLAIMS**The Fund covers claims arising due to the Company’s failure1. to repay the funds owed to covered clients or belonging to them and held on their behalf in connection with investment operations (services); or
2. to return to covered clients any financial instruments belonging to them and held, managed or administered on their behalf in connection with investment operations (services).

Claims are covered in the amount calculated based on the legal and contractual conditions (please refer to this Regulations and Brokerage and Custody Agreement), in particular those relating to offsetting and counterclaims, that are applicable to the assessment on the date of the initiation of the compensation payment procedure. |
| **3. COVERED FUNDS AND FINANCIAL INSTRUMENTS. AMOUNT OF COMPENSATION**Covered are all funds and financial instruments of the covered clients, which the Company holds directly and/or indirectly (e.g. by means of control) at any given time in the amount not exceeding twenty thousand Euros (€20.000) per client. The valuation of the financial instruments shall be carried out on the basis of their market value on the day of their calculation.The calculation of the compensation payable shall arise from the sum of the 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 of which it is the beneficiary, the currency and place where such services are provided within the European Union.The Fund shall provide coverage for the claims referred to above (Paragraph 19 of the Directive), which applies for the total claims of the covered client against the Company and shall be defined as the lower of 90% of the cumulative covered claims of the covered client and €20.000.Compensation shall be paid in Euro, and, where the funds and/or financial instruments are expressed in a currency other than the 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 was activated, shall be used.**4. COVERED CLIENTS**The ICF covers the clients **except those**, who are included in the following categories of investors:1. The following categories of institutional and professional investors:* + 1. Investment Firms (IFs);

(b) Legal entities associated with the Company and, in general, belonging to the same group of companies as the Company;(c) Banks;(d) Cooperative credit institutions;(e) Insurance companies;(f) Collective investment undertakings and their management companies;(g) Social insurance institutions and funds;(h) **Investors characterized by the Company as Professional Clients upon their request** pursuant to the provisions of paragraph Β of the Second Schedule of the Law L87(I)-2017.2. Supranational institutions, government and central administrative authorities;3. Provincial, regional, local and municipal authorities;4. Enterprises that have close ties with the Company, i.e. companies belonging to the same group as well as natural persons who directly or indirectly control that legal person or its parent company, holding a minimum percentage of 20% of the share capital or voting rights and their associates.5. Managerial and administrative staff of the Company.6. Shareholders of the Company, whose participation directly or indirectly in the capital of the Company amounts to at least 5% of its share capital, or their partners, who are personally liable for the obligations of the Company, as well as persons responsible for the carrying out of the financial audit of the Company as provided by the Law, such as Company’s qualified auditors.7. Investors having investments in enterprises connected with the Company and, in general, of the group of companies, to which the Company belongs, or positions and duties corresponding to the ones listed in paragraphs (5) and (6) of the Directive.8. Second-degree relatives and spouses of the persons listed in paragraphs (5), (6) and (7) of the Directive, as well as third parties acting on behalf of these persons.9. Investors-clients of the Company responsible for facts pertaining to the Company that have caused its financial difficulties or have contributed to the worsening of its financial situation or have profited from these facts.10. Other firms in the same group11. Companies (investors), which due to their size are not allowed not to draw a summary balance sheet in accordance with the Companies Law or corresponding law of a Member State.Where a covered client is not the ultimate beneficiary of the funds or financial instruments held by the Company (e.g. acts for the benefit of such beneficiary), compensation shall be paid to the ultimate beneficiary if his identity is or may be established prior to the date of the determination by the CySEC or the court ruling as pointed out below. This shall not apply to undertakings for collective investments.**5. THE FORMALITIES FOR THE PAYMENT OF COMPENSATION** The Fund initiates the compensation payment procedure when:(a) The Cyprus Securities and Exchange Commission (the “CySEC) has determined that the Company appears, for the time being, for reasons directly related to its financial circumstances, to be unable to meet its obligations arising out of investors' claims and has no early prospect of being able to do so. (b) A Court of the Republic, has made a ruling, for reasons directly related to the Company’s financial circumstances, which has the effect of suspending investors' ability to make claims against it.The 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.Upon initiation of the compensation payment procedure, the Fund shall publish as soon as possible in at least two national newspapers, an invitation to submit applications for compensation, designating the procedure for the submission of the relevant applications, the deadline for their submission as well as their content including the relevant claim application form. The publication shall be communicated immediately to the CySEC which shall post the publication on its website.The Fund assesses and evaluates the submitted claims, either internally or by designating at least one expert in capital market issues and at least one lawyer with knowledge on capital market issues, who shall evaluate the said applications and recommend to the Administrative Committee their acceptance or rejection, in whole or in part.The Administrative Committee shall examine the applications before it and makes decision on their acceptance or rejection taking into account, inter alia, whether the conditions specified below (Paragraph 24 of the Directive) are fulfilled or not.Upon completion of the procedure before the Administrative Committee, the Fund shall:(a) issue a decision listing the clients of the Fund member, determining the amount of money each one of them is entitled to receive, and communicate it to the CySEC and the 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 from its issue.The client/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 entitled “*Objection to the decision of the ICF*”.The Fund shall pay each covered client/claimant the compensation that he is entitled to, within three months from the date that the decision was communicated to the covered client. The payment of the compensation by the Fund shall be deposited to a bank account of the covered client, as designated by the said client in the claim application form.**6. THE CONDITIONS FOR THE PAYMENT OF COMPENSATION** The payment of compensation by the Fund shall be conditional to 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 of an application form as prescribed;(d) that the claims do not arise from transactions for which there has been a criminal conviction for money laundering as defined in the Prevention and Suppression of Money Laundering Activities Law of 2007;(e) There are no pending criminal proceedings against the said covered client for money laundering as defined in the Prevention and Suppression of Money Laundering Activities Law of 2007;(f) The right of a covered client has not been extinguished under the Limitation of Offenses Act |