

Investors Compensation Fund

The Republic of Cyprus has three different types of Investor Compensation Funds:

- Investor Compensation Fund for clients of investment firms;
- Investor Compensation Fund for clients of banks;
- Investor Compensation Fund for clients of co-operative credit institutions.

Dragon Capital (Cyprus) Limited is a member of the Investment Compensation Fund for investment firms which was established in 2004 and as such it is prohibited for any Investment firm to provide investment services within the boundaries of the Republic of Cyprus without being a member.

The objective of the Investors Compensation Fund is to compensate retail clients when Dragon Capital (Cyprus) Limited is unable to satisfy any client claims against it. The maximum compensation allowed is €20,000.00.

The services in which Dragon Capital (Cyprus) Limited offer and are covered by the Investors Compensation Fund are as follows:

Investment Services

1. Reception and Transmission of orders in relation to one or more financial instruments;
2. Execution of order on behalf of clients;
3. Dealing on own account.

Ancillary Services

1. Safekeeping and administration of financial instruments, including custodianship and related services;
2. Granting credits or loans to one or more financial instruments where the firm granting the credit loan is involved in the transaction;
3. Foreign Exchange services where these are connected to the provision of investment services;
4. Investment research and financial analysis or other forms.

Clients of Dragon Capital (Cyprus) Limited which are NOT covered by the Investor Compensation Fund are as follows:

1. The following categories of institutional and professional investors:
 - Investment firms
 - Legal entities associated with the Company 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
2. States and supranational organizations

3. Central, federal, confederate, regional and local administrative authorities
4. Enterprises associated with the Company
5. Managerial and administrative staff of the Company
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 Company, as well as persons responsible for carrying out financial audits of the Company 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 on account of these persons
9. 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.