



## **DXA Capital Investment Services S.A.**

### **Hellenic Investors Compensation Scheme**

#### **1. General**

DXA Capital Investment Services S.A. (hereinafter, the “Company”) is a member of the “Investment Guarantee Fund” with the distinctive title “Guarantee Fund”, which is a legal person under private law operating as a non-profit Guarantor, having its seat in Athens and is governed by the provisions of Articles 1 and 61 – 78 in L. 2533/1997 (GG [FEK] 228/11.11.1997, issue A’) transposing Directive 97/7/EC into the Greek legislation, as subsequently amended from time to time, that requires a Greek Investment Services Firm to be a member of an authorized investor compensation scheme (hereinafter the “Hellenic Investors Compensation Scheme”) in order to be allowed to provide investment services.

#### **2. Objective**

The objective of the HICS is to secure claims of the covered Clients against members of the HICS, through the payment of compensation in cases where the member concerned is unable, due to its financial circumstances and when no realistic prospect of improvement in the above circumstances in the near future seems possible. The HICS compensates the covered Clients for claims arising from the covered services provided by its members, so long as a confirmed permanent or non-reversible failure by the member of the HICS to fulfil its obligations has been ascertained, in accordance with the terms and procedure defined in the Law, notwithstanding a relevant obligation by the member of the HICS in accordance with the legislation and the terms which govern its agreement with the covered Client and regardless of whether the said obligation of the member of the HICS is based on the agreement or on wrongdoing.

#### **3. Covered Services**

Covered services of the Company are the investment services of:

- a) Reception and transmission of orders in relation to one or more financial instruments;
- b) Execution of orders on behalf of clients;
- c) Portfolio management;

And the following Ancillary Service:

- d) Safekeeping and administration of Financial Instruments for the account of Clients,

including custodianship and related services such as cash/collateral management.

#### **4. Covered Clients**

The HICS covers Retail Clients of the Company. It does not cover Professional Clients and Eligible Counterparties.

For more details see paragraph 5 below.

#### **5. Non-Covered Clients**

5.1. The HICS shall pay no compensation to individuals against whom criminal proceedings under the provisions of the Prevention and Suppression of the Legalization of Proceeds of Crime and Terrorist Financing Law 4557/2018, as amended or replaced, are pending.

5.2. Under Applicable Regulations, the HICS does not compensate the following investor categories:

- a) The following categories of institutional and professional investors:
  - Investment Services 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 HICCs;
  - Investors characterized by the Company as professionals, upon their request;
- b) States and supranational organizations.
- c) Central, federal, confederate, regional and local administrative authorities.
- d) Enterprises associated with the Company.
- e) Managerial and administrative staff of the Company.
- f) 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 its 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 qualified auditors.

- g) Investors having in enterprises 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 sub-paragraphs (e) and (f) of this paragraph.
- h) Second-degree relatives and spouses of the persons listed in sub-paragraphs (e), (f) and (g) of this paragraph as well as third parties acting for the account of these persons.
- i) Apart from investors convicted of a criminal offence pursuant to the Prevention and Suppression of the Legalization of Proceeds of Crime and Terrorist Financing Law of 2018, as amended or replaced, 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 which have profited from these facts.
- j) Investors in the form of a company which, due to its size, is not allowed to draw up a summary balance sheet in accordance with the Companies Law or a corresponding law of a Member State of the European Union.

53. In the cases of sub-paragraphs (e), (f), (g) and (h) of paragraph 5.2., the HICS suspends the payment of compensation informing the interested parties accordingly, until it reaches a final decision as to whether such cases apply.

## **6. Compensation Payment Process**

6.1. The HICS compensates the covered Clients for claims arising from the covered services provided by the Company, when failure by the Company to fulfil its obligations has been ascertained (see also paragraphs 6.2., 6.3. and 6.4. below).

6.2. The following constitutes failure by the Company to fulfil its obligations:

- a) Either to return Client HICS to its covered Clients which are held by the Company indirectly in the framework of the provision by the Company to the said Clients of covered services, and which the latter requested the Company to return, in exercise of their relevant right; or
- b) To return to the covered Clients financial instruments which belong to them and which the Company manages.

6.3. The HICS initiates the compensation payment process in one of the following situations:

- a) The Hellenic Capital Market Commission (HCMC) has determined by resolution that the Company is unable to meet such of its duties as arise from its Clients' claims in connection with the investment services it has provided, as long as such inability is directly related to its financial circumstances with respect to which no realistic prospect of improvement in the near future

seems foreseeable, and has issued its decision on the commencement of the compensation payment procedure by the HICS as well as has published the said decision in the Official Gazette of the Republic of Greece as well as on its website on the Internet.

- b) The Company submits to the HICS or to HCMC a written statement declaring its failure to fulfil its obligations towards its Clients; or
- c) The Company files an application for liquidation in accordance with the provisions of the Companies Law of Greece; or
- d) HCMC has revoked or suspended the Company's authorization to provide investment services 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 concern a temporary lack of liquidity which can be dealt with immediately.
- e) A judicial authority has on reasonable grounds directly related to the financial circumstances of the Company, issued a ruling which has the effect of suspending the investors' ability to lodge claims against it.

6.4. Upon issuance of a decision by HICS to initiate the compensation payment process it publishes in daily political & financial press and at its website an invitation to the covered Clients to make their claims against the Company. The invitation outlines the procedure for submission of the relevant compensation applications, including the deadline for submission and the content of such applications. The deadline cannot be shorter than 5 months from the release date.

6.5. The compensation applications of covered Clients with which they make their claims against the Company are submitted to the HICS in writing and must include:

- a) The name of the -Client;
- b) The address, telephone and fax numbers as well as any email address of the - Client;
- c) The Client code that the -Client had with the Company;
- d) The particulars of the covered services agreement between the HICS and the - Client;
- e) The type and amount of the alleged claims of the -Client;
- f) The exposition of the particulars from which the alleged claims of the -Client and their amount are delivered;
- g) Any other information the HICS might or will request.

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

- a) The Client falls within the category of covered Clients;
- b) The application was timely submitted ;

- c) The Client is not convicted of a criminal offence pursuant to the Prevention and Suppression of the Legalization of Proceeds of Crime and Terrorist Financing Law of 2018, as amended or replaced;
- d) The conditions for the valid submission of compensation applications are fulfilled.

6.7. The Administrative Committee rejects the compensation application in case the - Client does not fulfil the conditions referred to in paragraph 6.6. above, or if at the Administrative Committee's discretion, at least one of the following reasons exists:

- a) The Client used fraudulent means in order to secure the payment of compensation by the HICS, especially if it knowingly submitted false evidence;
- b) The damage suffered by the substantially derived from concurrent negligence or offence on its behalf in relation to the damage it suffered and to its underlying cause.

6.8. Upon completion of the valuation, the HICS:

- a) Issues minutes listing the Clients of the Company which are compensation beneficiaries along with the amount of money each one of them is entitled to receive, and, communicates it to HCMC and the Company within five (5) working days from its issue; and
- b) Communicates to each affected Client its finding no later than fifteen (15) days from the issue of the aforementioned minutes determining the total compensation amount this Client is entitled to receive.

## **7. Amount of Compensation**

- 7.1. 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 the rules of setoff applied for the calculation of the claims between the covered Client and the Company.
- 7.2. 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 of which the customer is a beneficiary, the currency and place of provision of these services.
- 7.3. The total payable compensation to each covered Client of the Company for the cumulative covered claims of the covered investor, is the amount of thirty thousand Euros (EUR 30,000), irrespective of the number of accounts held, currency and place of offering the investment service.
- 7.4. In the case of joint investment business<sup>1</sup>:

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<sup>1</sup> joint investment business' shall mean investment business carried out for the account of two or more persons or

- a) Each investor's share in joint investment business shall be taken into account in calculating the compensation provided in section 7.3 above;
- b) In the absence of special provisions, claims shall be divided equally amongst investors;
- c) Claims relating to joint investment accounts to which two (2) or more persons are entitled as members of a partnership, association or grouping of a similar nature which has no legal personality may for the purpose of calculating the limits provided in section 7.4 (a), be aggregated and treated as if arising from an investment made by a single investor.

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over which two or more persons have rights that may be exercised by means of the signature of one or more of those persons