

# Information on the applicable Investor Compensation Scheme

## I. INTRODUCTION

Triple A Experts Investment Services S.A. (“AAAFx” or “the Company”) is a member of the **Athens Stock Exchange Members’ Guarantee Fund** (the “Fund”), which is the applicable Investor Compensation Scheme for customers of Greek Investment Firms that are not credit institutions, which was established under the provisions of the Greek Act 2533/1997 (the “Law”).

The Fund constitutes a private law legal entity and its administration is exercised by a Board of Directors of seven members, who are designated for a three-year term. In accordance with article 63 of the Law, the Fund has two purposes. The first purpose is the payment of compensations to investors in case of proven permanent or irreversible inability of an Investment Firm (I.F.) to fulfill its obligations emanating from the provision of covered investment services. The second purpose is to operate as a Resolution and Recovery Fund with respect to Investment Firms in the context of the law on the implementation of the Banking Resolution and Recovery Directive.

Any compensation provided to clients by the Fund shall **not exceed € 30.000**. This limit applies to **each clients’ aggregate claims** against the Company.

## II. PROTECTION OF INVESTORS-CLIENTS OF INVESTMENT FIRMS

The protection of the Fund is provided to clients of Investment Firms that are not credit institutions and have been authorized to provide investment services by the Hellenic Capital Market Commission, under the provisions of the Greek Act 4514/2018 regarding the provision of investment services. The participation of these firms in the Fund is mandatory and constitutes a condition for their legal operation and the provision of investment services to investors. The Investment Firms participating in the Fund are subject to an obligation to pay to the fund an initial contribution, the amount of which is determined based on the kinds of investment services that they provide, as well as annual additional contributions the amount of which is based on the value of assets held by each firm on behalf of its clients. Where such contributions are not sufficient to cover the losses or the costs to be borne by the Fund, additional contributions may be raised as well.

## III. PROTECTION FOR “COVERED” INVESTMENT SERVICES ONLY

The Law provides for investors’ compensation by the Fund only for the investment services that are qualified as “covered investment services” and provided that and such services are included in the HCMC authorization of the Fund’s member. Formally, the covered investment services are described in article 1, par. 12 of the Law and include the investment services referred to in cases 1-4 and 6-7 of Part A of the first Annex to the law implementing the Directive 2014/65/EU (MiFID II), as well as the ancillary service of case 1 of part B of the first Annex to the same law, provided that such services concern the financial instruments

included in Part C of the first Annex to the above law. Based on the above provision, the covered services are the following:

- Reception and transmission of orders in relation to one or more financial instruments;
- Execution of orders on behalf of clients;
- Dealing on own account;
- Portfolio management;
- Underwriting of financial instruments and/or placing of financial instruments on a firm commitment basis;
- Placing of financial instruments without a firm commitment basis;

The above services are covered insofar as they concern the following financial instruments:

- (1) Transferable securities;
- (2) Money-market instruments;
- (3) Units in collective investment undertakings;
- (4) Options, futures, swaps, forward rate agreements and any other derivative contracts relating to securities, currencies, interest rates or yields, emission allowances or other derivatives instruments, financial indices or financial measures which may be settled physically or in cash;
- (5) Options, futures, swaps, forwards and any other derivative contracts relating to commodities that must be settled in cash or may be settled in cash at the option of one of the parties other than by reason of default or other termination event;
- (6) Options, futures, swaps, and any other derivative contract relating to commodities that can be physically settled provided that they are traded on a regulated market, a MTF, or an OTF, except for wholesale energy products traded on an OTF that must be physically settled;
- (7) Options, futures, swaps, forwards and any other derivative contracts relating to commodities, that can be physically settled not otherwise mentioned in point 6 of this Section and not being for commercial purposes, which have the characteristics of other derivative financial instruments;
- (8) Derivative instruments for the transfer of credit risk;
- (9) Financial contracts for differences;
- (10) Options, futures, swaps, forward rate agreements and any other derivative contracts relating to climatic variables, freight rates or inflation rates or other official economic statistics that must be settled in cash or may be settled in cash at the option of one of the parties other than by reason of default or other termination event, as well as any other derivative contracts relating to assets, rights, obligations, indices and measures not otherwise mentioned in this Section, which have the characteristics of other derivative financial instruments, having regard to whether, inter alia, they are traded on a regulated market, OTF, or an MTF;
- (11) Emission allowances consisting of any units recognised for compliance with the requirements of Directive 2003/87/EC (Emissions Trading Scheme).

AAAFx draws your attention on the fact that any forms of investment services that does not fall within the covered investment services and are provided by members of the Guarantee Fund to their clients **are not covered by the Fund**.

#### **IV. AMOUNT OF COMPENSATION PROVIDED**

The Law stipulates the provision of compensation from the Fund to the investor for claims against the I.F., which is, however, not unlimited as to its amount. In accordance with article

66 of the 2533/1997 and the relevant ministerial decisions, the compensation that shall be determined by the Fund covers the total of each the investor's claims against the I.F. from all the provided covered investment services, but with a ceiling of €30,000. The above mentioned compensation is provided by the Fund pursuant to the procedures laid down in articles 66 and 67 of the Law and provided that the investor has not been previously compensated by the liquidation of the assets of the I.F. against which the investor raises the claim. This obligation of the Fund for compensation towards investors is subsidiary, complementary and limited.

## **V. CONDITIONS FOR THE PROVISION OF COMPENSATION**

Article 65 of the Law, specifies a restrictive list of cases that must occur in order for the Fund to provide compensation to investors (alternatively):

- a) A notification to the Fund by the Central Securities Depository according to which the Fund's member has not fulfilled in a timely manner its obligations for the clearing of a Stock Exchange transaction
- b) The submission to the Fund of a request for compensation by an investor
- c) The submission to the Fund of a statement by an I.F. declaring the I.F.'s failure to fulfill its obligations towards investors
- d) The issuance of a definitive court decision declaring the I.F.'s bankruptcy
- e) The revocation of the I.F.'s authorization and its submission to a procedure of special liquidation

In all the above cases, the substantial and necessary conditions for the payment of compensation from the Fund are the following:

- (i) the final, permanent and irreversible failure of the Fund's member to fulfill its obligations deriving from investment services towards clients and
- (ii) the obligations due that the member fails to fulfill should emanate from services provided by the member and falling within the covered investment services.

## **VI. PERSONS EXCLUDED FROM THE FUND'S COVERAGE**

In accordance with sections (a) to (j) of article 1 paragraph 6 of the Law, a number of categories of persons (clients) are excluded from the Fund's coverage. In particular, the following categories of clients are excluded:

- a) credit institutions and equivalent as to their scope foreign entities regardless of their legal form;
- b) financing institutions and equivalent as to their scope foreign entities, regardless of their legal form;

- b) insurance companies and equivalent as to their scope foreign entities, regardless of their legal form;
- d) collective investment schemes, portfolio management companies and equivalent as to their scope foreign entities regardless of their legal form;
- e) legal entities subject to the provisions of the Greek Act 1611/1950 (Greek Gov. Gazette 340A) and equivalent as to their nature foreign entities regardless of their legal form;
- f) States, central administrative authorities, State services and supranational bodies and organizations, regardless of legal form;
- g) local administration organizations;
- h) executive managers, Members of the Board of Directors, auditors and other persons who provide confidential advisory services, as to the member by which they are employed as executives, members of the Board of Directors, auditors or consultants as well as shareholders of the member possessing at least 5% of the share capital;
- i) relatives by blood or marriage up to the second degree of the persons of the above case h) as to the same member as in case h);
- j) any other person connected (within the meaning of paragraph 5 of article 42E of the Greek Act 2190/1920) with the member providing them with the covered investment services.

## **VII. REFUSAL TO PROVIDE COMPENSATION**

The attention of investors is especially drawn, in accordance with the provisions of article 66, paragraph 4 of the Greek Act 2533/1997, to the fact that the Fund has the right to refuse payment of compensation to an investor in the following cases:

- a) part of his application is suspected to be false;
- b) the investor has made use of fraudulent means in order to obtain compensation from the Fund;
- c) the investor acts as an interposed person and it is not concluded that the ultimate beneficiary is entitled to compensation as an investor or the compensation he has already received from another cause is not concluded;
- d) the damage emanates substantially from malice or gross negligence on his part;
- e) his application has been submitted after the deadline in accordance with article 66, par. 6 of the Law.

## **VIII. MONEY LAUNDERING**

In case, in the opinion of the Fund, there are indications that the covered service as to which the claim for compensation arises, falls into the scope of the prohibitions of the Greek Act 3691/2008, as applicable, it shall refer the matter to the competent Commission established by virtue of article 7 of the Greek Act 3691/2008 and suspend the issuance of a decision until a final decision is issued in accordance with the provisions of the Greek Act 3691/2008.

The payment of compensation for claims arising from covered services as to which a convicting decision has been issued regarding the legalization of proceeds deriving from illegal activities in accordance with the meaning of the Greek Act 3691/2008, is prohibited.

## **IX. COMPENSATION COMMITTEE**

Decisions concerning the compensation rights of investors and the assessment of their claims are made exclusively by the Compensation Committee, which consists of five (5) members with a 3-year term and is approved by the Hellenic Capital Market Commission (article 68, par. 5 of the Law).

In accordance with par. 6 of article 68 of the Law, the members of the Compensation Committee are selected among persons with special knowledge or experience on financial matters or relevant special legal or accounting knowledge, and may not be members of the Fund or have any type of dependent employment relationship or other professional relationship with the Fund, that is, act independently of the Fund and in their free judgment.

Also, in accordance with par. 6 of article 68 of the Law, the decisions of the Compensation Committee are definitive as to the obligation of the Fund for payment or not of compensation to any person and as to the amount of any potentially paid compensation.

While the Compensation Committee investigates compensation cases, it takes account, in accordance with the law, of the data for each investor as these derive from the books and data maintained by the member of the Fund only, expressly excluding any other means of evidence.

## **X. PROCEDURE FOR THE RECOGNITION AND COMPENSATION OF INVESTORS' CLAIMS**

The Law describes all the conditions that the investor must fulfill and the procedures he must follow in order to exercise his right against the "Guarantee Fund", as well as the deadlines within which he should address the Fund, so as not to lose his right to compensation. In the event that a member of the Fund is placed in the process of special liquidation, as provided for in article 90 of the Greek Act 4514/2018, a specific procedure is provided for in the above provision. It is noted again that the investor has a compensation claim against the I.F., of which he is a client, and resorts to the Fund only if he cannot satisfy his claim from the I.F. during the process of liquidation of its assets.

## **XI. FREE SERVICES OF THE “GUARANTEE FUND” TO INVESTORS**

The protection described hereunder is provided absolutely free of charge to investors who are not obliged to any form of contribution, subscription or fee towards the Fund.

## **XII. PROVISION OF MORE DETAILED INFORMATION TO INVESTORS**

The information included herein is disclosed with an objective to provide basic information regarding the Fund. The recipient of this document is encouraged to seek more information or consult the Fund’s website, [www.syneggiitiko.gr](http://www.syneggiitiko.gr), in order to obtain additional information.

Any existing claim of an investor against the Fund must be examined separately by the Compensations Committee based on the existing real cases and their application to the provisions of the law, and it cannot be regarded as covered based exclusively on this document.