

Contents

Investor Compensation Fund	2
Object of the Fund	2
Covered Customers.....	3
Prerequisites for initiating the procedure for paying out compensation	4
Calculation of compensation payable	4

Investor Compensation Fund

MCA INTELIFUNDS LTD, (hereinafter the company) trading as “**FXORO**”, is an investment firm regulated by the Cyprus Securities and Exchange Commission under license no. 126/10 and operates according to the Cyprus Investment Services and Activities and Regulated Markets Law of 2007, and the EU Directives especially Market in Financial Instruments Directive (MiFID).

The Company is a member of the Investor Compensation Fund (the “Fund”). The Fund was established under the Investment Firms (IF) Law 2002 as amended (the “Law”) and the Establishment and Operation of an Investor Compensation Fund for customers of CIFs Regulations of 2004 (the “Regulations”) which were issued under the Law.

The Fund constitutes a private legal entity and its administration is exercised by an Administrative Committee of five members, who are designated for a three-year term. The Fund has been operating since 30th May 2004.

Object of the Fund

The objective of the Fund is to ensure claims of persons in whose interests the Fund operates to the Fund’s members by paying compensations against claims arising in the process of rendering services by the Fund’s members provided that the inability of a Fund’s member to fulfill its obligations has been identified.

The term failure denotes the inability of the Company to:

- a) either return to its covered customers funds owed to them or funds which belong to them but are held by the Company, directly or indirectly, in the context of the provision by the Company to the said clients of covered services, and which the latter requested the Company to return, in exercising their relevant right, or
- b) to hand over to the covered clients financial instruments which belong to them and which the Company holds, manages or keeps on their account, including circumstances where the Company is responsible for the administrative management of the said financial instruments.

The payment of compensation by the Fund to the clients of its members is subject to the existence of a well-founded claim by the clients against the member of the Fund

Covered Clients

The Fund covers all Company clients except those who are included in the following categories of investors:

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 organisations in transferable securities and their management companies, g) Social insurance institutions and funds, h) Investors categorised by the Company as professionals, upon their request.
2. States and supranational organisations.
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 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 its qualified auditors.
7. Investors having 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 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. Customers who file claims arising out of transactions involving individuals convicted of a criminal offence pursuant to the Prevention and Suppression of Money Laundering Activities Law or customers responsible for the financial difficulties of the Company or who have contributed to the worsening of the Company's financial situation or who 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

11. Clients should be aware that Cryptocurrency CFDs are not recognised as Financial Instruments for the purposes of MiFID and/or any other EU Regulation and therefore fall outside the scope of the Company's regulated investment services. Furthermore, clients are not entitled to receive compensation and/or security from the Investor Compensation Fund relating to any services related to Cryptocurrencies and/or Cryptocurrency CFDs

In the cases of paragraphs 5, 6, 7 and 8, the Fund suspends the payment of compensation informing the interested parties accordingly, until it reaches a final decision as to whether such cases apply.

Prerequisites for initiating the procedure for paying out compensation

The Fund initiates the procedure for paying out compensation when at least one of the following prerequisites is in place:

- the Securities and Exchange Commission of the Republic of Cyprus has identified that the Company is currently unable to meet its liabilities arising out of claims of its investor Clients for services which fall under the scope of the Fund's activities provided that such inability is directly related to the Company's financial standing which has no prospects to improve in the near future, or
- a court has issued a ruling on grounds related to the Company's financial standing that temporarily deprives investor Clients of the ability to file complaints (claims) against the Company; After a decision is taken a decision by the Securities and Exchange Commission of the Republic of Cyprus and a Court in accordance with the aforementioned facts at the beginning of the compensation procedure the Fund publishes at least in three major newspapers an offer to Clients which fall under the scope of the Fund's activities to file their claims against the Company, indicating the procedure for filing said claims, the timeframe of their filing and their contents

Calculation of compensation payable

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 off-set rules applied for the calculations of the claims between the covered client and the Company.

The calculation of the compensation payable derives 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 the customer is a beneficiary, the currency and place of provision of these services. The valuation of the financial instruments pertaining to the compensation payable to the covered client is carried out based on the value of the day:

a) of publication of a court ruling which has the effect of suspending the investors ability to lodge claims against it based on reasonable grounds directly related to the financial circumstances of the Investment Firm which has subscribed to the Fund;

b) of publication of the decision of the Cyprus Securities and Exchange Commission that an Investment Firm, which has subscribed to the Fund, is unable to meet any of its duties arising from its customers' claims in connection with the covered services it has provided, as long as such inability is directly related to its financial circumstances in respect of which no realistic prospect of improvement in the near future seems foreseeable. Insofar as the amount of the claim determined exceeds the amount of twenty thousand Euros (€20.000), the claimant receives as compensation the amount of twenty thousand Euros (€20.000)

Where the investment firm providing services to its clients through the branch situated in a third country, the amount of the maximum compensation payable to the clients of the said branch comes up, per client, to the lump sum paid by any investor compensation scheme in operation in the third country, without exceeding the amount of twenty thousand Euros (€20.000).

The Fund is obliged to pay to each Client applicant who falls under the scope of the Fund's activities, compensation within three months from the moment when the minutes are sent to the Securities and Exchange Commission of the Republic of Cyprus with the list of persons entitled to receive compensation.