

**Terms and Conditions of rendering investment services by
AS KIT Finance Europe**

**An overview of the investor protection plan as stipulated by the Guarantee Fund Act
of the Estonian Republic**

The purpose of this overview is making the Client aware of the investor protection plan that is effective according to the Guarantee Fund Act.

The Guarantee Fund Act came into force on July 1, 2002. According to this law, a Guarantee Fund is established at the expense of contributions that are collected from investment companies, commercial banks and other financial institutions, and the money from this fund are used to reimburse losses of depositors, investors, and owners of units of pension funds according to the procedure and on the conditions stipulated by the law.

The Guarantee Fund is divided into four sectoral funds, namely: the Deposit Guarantee Sectoral Fund, the Investor Protection Sectoral Fund, the Pension Protection Sectoral Fund, and the Pension Contracts Sectoral Fund.

The Investment firm's Client has guarantees and a right to receive reimbursement from the Investor Protection Sectoral Fund.

At the account of the Investor Protection Sectoral Fund, in the order and amount that are set forth in the Guarantee Fund Act, to the investors who are not the professional participants of the stock market are guaranteed and reimbursed their investments that they made through the Investment firm and other investment companies, credit institutions, and branches of investment companies or credit institutions of other countries. **The investments of the Clients of the Investment firm Cyprus Branch are guaranteed in accordance with Art. 47 of the Guarantee Fund Act.**

Investments are guaranteed and reimbursed in the amount of their value as of the reimbursement liability origin date but no more than 20 000 EUR per each investor in one investment institution.

Investments that are owned by any of the persons below at the reimbursement date are neither guaranteed nor reimbursed

1. A professional participant of the stock market in the meaning of the Securities Market Act.
2. Persons who have a debt to an investment company at the reimbursement date, in the amount of this debt.
3. Government bodies.
4. Local self-administration.
5. Legal entities whose main and permanent field of business is acquiring shares and making transactions listed in art.6, part 1, cl. 2-12 of the Credit Institutions Act of the Estonian Republic.
6. A legal entity that belongs to the same group as the investment company.
7. A member of the Board, Executives Committee, auditor or owner of more than 5 (five) percent of share capital of the investment company or a legal entity that belongs to the same group as the investment company as well as their close relatives and persons who act in the interest of the abovementioned persons.

Investment confiscated by a convictive judgment on a case of an offense related to money laundering or terrorism funding shall not be compensated. Compensation payment shall be suspended if actions with the

investment are temporarily limited by an order of the money laundering data office or the investment is arrested under a criminal case on money laundering or terrorism funding.

A more detailed procedure for reimbursement of losses and the criteria for losses that are not reimbursed are set by the Guarantee Fund Act and the bylaws adopted on its basis.

More information on the investor protection plan may be obtained at the Guarantee Fund (2 Roosikrantsi, 10119 Tallinn, ph.: 611 0730; e-mail: tf@tf.ee; <http://www.tf.ee>).