

COMPLAINT HANDLING PROCEDURE

"The document that provides the procedure for the reasonable and prompt handling of complaints or grievances received from Clients"

Contents

| | |
|-----------------------------|---|
| 1. Introduction..... | 2 |
| 2. Procedure..... | 2 |
| 3. Complaints Register..... | 5 |
| 4. Monitor and Review | 5 |
| 5. Amendments..... | 5 |

1. Introduction

- 1.1. X GLOBAL Markets Ltd (hereinafter called the "Company") is a Cyprus Investment Firm incorporated under the laws of Cyprus, which has its principal place of business at 162, Fragklinou Rousvelt, 1st Floor, CY-3045 Limassol and registered with the Registrar of Companies in Nicosia under the number HE 291958. The Company is regulated by the Cyprus Securities and Exchange Commission as a Cyprus Investment Firm (CIF) under the License Number 171/12. The Company operates in accordance with the provisions of the Investment Services and Activities and Regulated Markets Law of 2007 (No. 144(I)/2007), implementing Directive 2004/39/EC of the European Parliament and of the Council on Markets in Financial Instruments ("MiFID") as amended by the Directive 2006/31/EC of the European Parliament and of the Council.
- 1.2. The Complaint Handling Procedure (hereinafter called the "Procedure") is an integral part of the *Client Agreement*, which constitutes an integral part of the *Collective Agreement*; the interpretation of the term *Collective Agreement* is set out in the *Client Agreement*, which is the agreement that constitutes the basis on which the Company provides investment services and activities and ancillary services to the Client. Such agreement can be found online under the *Legal Information* section at <http://www.xglobalmarkets.com>. The interpretation of terms used in the *Procedure* is set out in section 2 of the *Client Agreement* ("Interpretation of Terms"). The definition of other terms used in the *Procedure* is set out in the aforementioned Law and/or in the applicable legislation and may

also be provided in the *Client Agreement* and/or in the *Procedure*; such terms have quote marks. Terms without quote marks that are not interpreted in the *Client Agreement* and/or in the *Procedure* shall have the meaning attributed to them in the aforementioned Law and/or in the applicable legislation.

- 1.3. In accordance with Paragraph 13 of the Directive DI144-2007-01 of 2011 for the authorization and operating conditions of the Cypriot Investment Firms, the Company has established and implements an effective and transparent procedure for the reasonable and prompt handling of "complaints" or "grievances" received from "Retail Clients" or potential "Retail Clients", and to keep a record of each "complaint" or "grievance" and the measures taken for such complaint's or grievance's resolution.

Complaint - an expression of dissatisfaction by a client related to the provision of investment and/ or ancillary services provided by the Company.

Grievance - a hardship suffered, which constitutes the grounds of a complaint.

2. Procedure

- 2.1. For the efficient handling of "complaints" or "grievances" the Company has designed a clear, simple and fair complaint handling procedure.

The Compliance Officer shall be responsible for handling Client complaints, except in the case where the complaint involves the Compliance Officer, whereby the complaint shall be handled by the Managing Director.

The Company tries to ensure independence via the Compliance Officer which enables complaints

to be investigated fairly and possible conflicts of interest to be identified and mitigated.

This procedure is hereby presented to Clients.

I. Filing a complaint or grievance

A complaint or grievance can be filed in the following ways:

- (a) By posting an official signed letter (to be addressed to the Client Service Administration Department) with scanned colored copies of the same documents which have already been provided to the Company for due diligence purposes along with any other documents relevant to the complaint or grievance. The letter can be posted to the following address:

X GLOBAL Markets Ltd
Fragklinou Rousvelt,
162, 1st Floor, 3045,
Limassol, Cyprus

- (b) By sending an email to complaints@xglobalmarkets.com using the email address which has already been provided to the Company during the account opening process (i.e. following completion and submission of the Online Application to Open a Real Trading Account or following completion and submission of the duly signed Application to Open a Corporate Trading Account) along with any other attachments relevant

to the complaint or grievance.

The filed complaint or grievance must include the Client's full name, the Client's trading account number, the transaction number(s) (if applicable), the date and approximate time that the issue has arisen and a description of the issue.

II. Examination & Response

The Company will examine all "complaints" or "grievances" received from Clients in accordance with at least one (1) of the aforementioned ways of filing a "complaint" or "grievance" and inform them of the outcome. However, a "complaint" or "grievance" shall not be considered to fit the interpretation of a "complaint" or "grievance" and, therefore, will not be considered as such and will not be examined (and the Client who has filed it will not be informed), if one or more of the following conditions apply:

- The "complaint" or "grievance" was not filed in accordance with the procedure included herein
- The "complaint" or "grievance" includes offensive language directed to the Company and/or to one or more of its employees and/or directors

Upon receipt of a "complaint" or "grievance" following the procedure explained herein, the Company will do the following:

The Company will endeavor to ensure all Communication is in plain language which is clearly understood.

When the Compliance Officer receives the Client's complaint

then a written acknowledgement will be sent to the Client confirming the name and job title of the person dealing with the complaint within five (5) working days from the date the complaint has been received.

This Acknowledgement will confirm the necessary action required to resolve the complaint and will contain details of our Complaints Handling Procedure, and of your right to refer the Complaint the Financial Ombudsman if you are dissatisfied with our assessment and ruling.

The Company's Compliance Officer will conduct, or coordinate with the Company's Compliance Officer to jointly conduct, a timely and impartial investigation of the "complaint" or "grievance". Directors, officers, employees, consultants of the Company as well as independent investigators may be utilized as necessary to ensure a complete investigation. During the investigation, the Compliance department will diligently seek to obtain as much evidence as it is reasonably possible, from the system (as applicable), documents, and individuals regarding the issue. All relevant evidence will be analyzed and evaluated. The Company's relevant legal documentation (e.g. Client Agreement, Terms and Conditions of trading CFDs et cetera) and all applicable laws, regulations, directives, circulars and rules will be thoroughly reviewed in order to reach a fair outcome.

The Client will receive an initial response within five (5) business days from the day the "complaint" or "grievance" has been received.

This response will be sent to the Complainant explaining the findings of the investigation. In the case where a holding response is sent to the Complainant, then an explanation shall be given stating the reasons why the Company has not been able to resolve the complaint as well as giving an estimated time to resolve the issue.

The Company's aim is to handle "complaints" or "grievances" in strict confidentiality, without undue delay, taking into account the seriousness of the "complaint" or "grievance" and the extent of the economic impact, as applicable, arising from its content, both for the Client and for the Company, and provide a resolution as soon as reasonably practicable. The Client will subsequently be informed accordingly.

If after 8 weeks of receiving the complaint the Company is still not in a position to resolve the issue then the Compliance Officer will notify you in writing stating the reasons for the delay and indicate an estimated time to resolve the issue.

When the complainant has received the final response he will have 8 weeks to respond. If no response has been received from the complainant indicating that he is still dissatisfied with the explanation then the Complaint will be considered as resolved.

The client may refer the complaint to the Financial Ombudsman of the Republic of the Cyprus by visiting http://www.financialombudsman.gov.cy/forc/forc.nsf/page15_gr/page15_gr?OpenDocument within six (6) months of the date

of the final response.

root causes.

3. Complaints Register

3.1 The Company stores all complaints it receives on an internal archive, as quickly as possible, and in an appropriate manner.

The Company is required to provide to the CySEC information regarding the complaints it receives via an electronic form to the Commission on a monthly basis.

4. Monitor and Review

4.1 The Company will monitor on a regular basis the effectiveness of this Procedure. In addition, Company will review the Procedure at least annually. A review will also be carried out whenever a material change occurs that affects this Procedure. The Company will notify its affected clients on any changes in its Policy.

5. Amendments

5.1 The Company analyses, on an on-going basis, complaints handling data , to ensure that they identify and address any recurring or systemic problems, and potential legal and operational risks, for example by:

- (a) Analysing the causes of individual complaints so as to identify root causes common to types of complaints,
- (b) Considering whether such root causes also affect other processes or financial means, including those not directly complained of; and
- (c) Correcting, where reasonable to do so, such