

ICC INTERCERTUS CAPITAL LIMITED

Pillar III Disclosures and Market Discipline Report 2016

APRIL 2016

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1. Introduction

1.1 Corporate Information

ICC Intercertus Capital Limited was incorporated on the 1st day of September 2015 as a private limited company in Cyprus, and was subsequently licensed by the Cyprus Securities and Exchange Commission (CySEC) for offering the following investment services:

- Reception and Transmission of Orders in Relation to One or More Financial Instruments. □
Execution of Orders on Behalf of Clients.

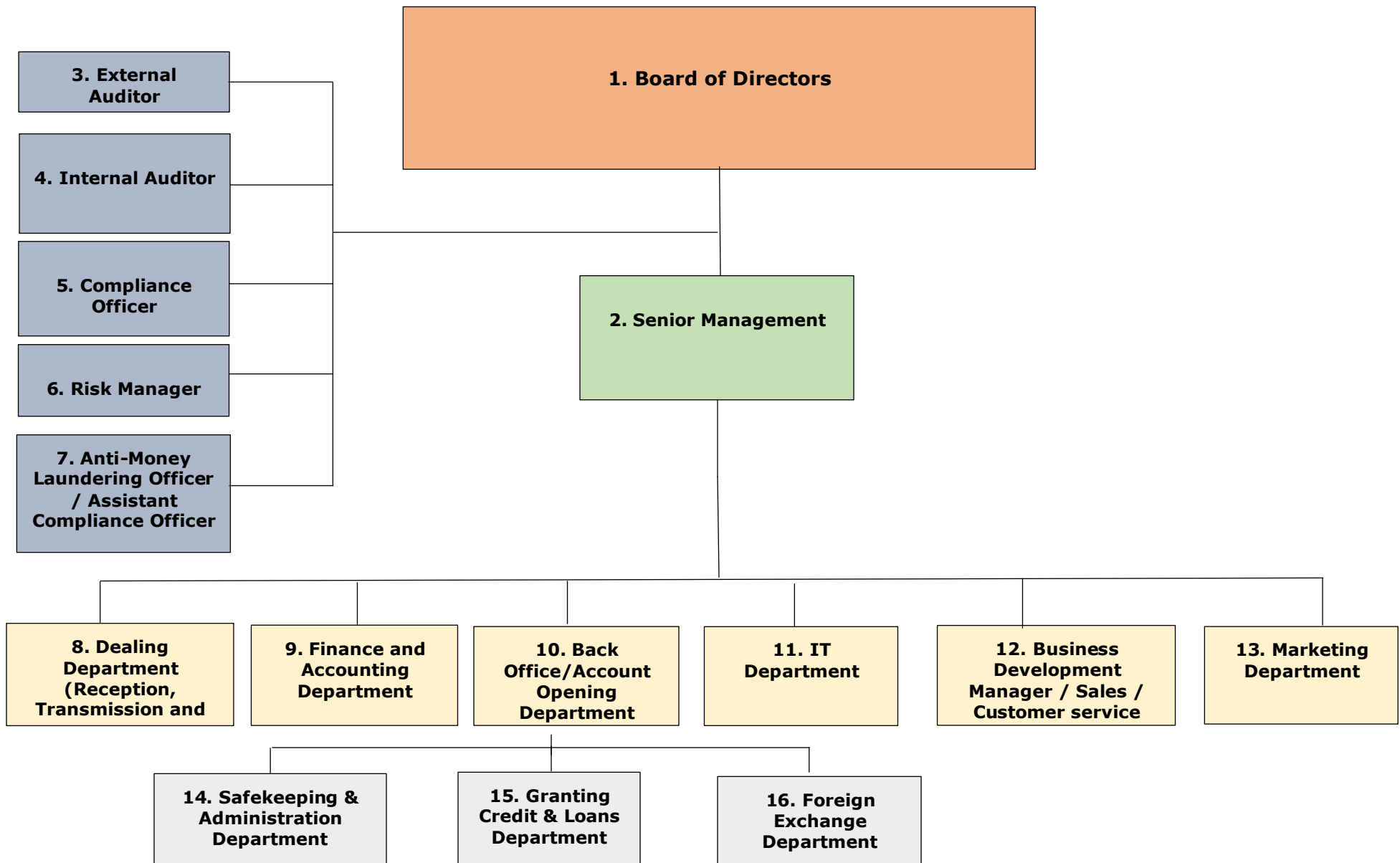
In addition to the above core investment services, the company is licensed to offer the below ancillary services:

- Safekeeping and administration of financial instruments for the account of clients, including custodianship and related services such as cash/collateral management.
- Granting credits or loans to an investor to allow him to carry out a transaction in one or more financial instrument, where the firm granting the credit or loan is involved in the transaction.
- Foreign exchange services where these are connected to the provision of investment services.

The company is a fully owned subsidiary of **Axios Capital Limited**, which was incorporated on the 24th day of July 2015 in the British Virgin Islands with registration Number: **1884181**.

1.2 Organizational Structure

ICC INTERCERTUS CAPITAL LTD



1.3 Scope of Application

This report has been prepared in accordance with the requirements of Part Eight of Regulation (EU) No 575/2013 of the European Parliament and of the council of 26 June 2013 on prudential requirements for credit institutions and investment firms (hereinafter the "Regulation") and paragraph 32(1) of DI144-2014-14 of the Cyprus Securities and Exchange Commission (the 'CySEC') for the Prudential Supervision of Investment Firms. It relates to the year ended 31 December 2016 and is prepared on an individual (solo) basis.

The Directive is based on three pillars:

- Pillar 1 has to do with the standards that set out the minimum regulatory capital requirements required for credit, market and operational risk.
- Pillar 2 covers the Supervisory Review Process which assesses the internal capital adequacy processes. Investment Firms have to evaluate and assess their internal capital requirements.
- Pillar 3 covers transparency and relates to the obligation of Investment Firms to publicly disclose information with respect to their risks, their capital and the risk management structures they have in place.

The Company has established a Disclosures Policy (hereinafter, the "Policy") in accordance with Article 431(3) of Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms (hereinafter, the "Regulation").

The Disclosures Policy applies solely to the Company and the information to be disclosed shall be based on the Company's latest annual audited financial statements prepared on individual basis, in accordance with International Financial Reporting Standards ("IFRS").

The applicability of the Disclosures Policy is reviewed at least annually by the Board of Directors, in the context of an internal review for compliance with the relevant legislation as well as to confirm the appropriateness of the Pillar 3 disclosures and to ensure that they convey the risk profile of the Company comprehensively to market participants.

The Company shall publish the disclosures required under the regulatory framework on an annual basis, within four months after the financial year end.

The disclosures are published on the Company's website at www.everfx.com

2. Risk Management Framework and Governance

2.1 Board of Directors

The Board of Directors has the overall responsibility for the business and it is ultimately responsible for ensuring that the Company complies with its obligations under the Law.

Main responsibilities:

- i. Ensuring that the Company complies with its obligations under the legislation.
- ii. Periodically assess and review the effectiveness of the policies, arrangements and procedures put in place to comply with the obligations under the Law and Directives and to take appropriate measures to address any deficiencies.
- iii. Set the strategy of the Company and ensure the continuing operations of the Company.
- iv. Meet on a frequent basis to ensure that operational and strategic issues are discussed and issue guidance to the Senior Management and heads of the departments.
- v. Ensure that written reports concerning internal audit, compliance, anti-money laundering compliance and risk management are received on a frequent basis, and at least annually, indicating in particular whether the appropriate remedial measures have been taken in the event of any deficiencies.
- vi. Address any issues raised by the regulators and define the action to be taken in case corrective measures are required.

2.2 Recruitment Policy

The Recruitment Policy of the Company outlines the measures and procedures to be followed for the recruitment of persons employed by the Company, taking into consideration the provisions of Circular C025 (Guidelines GD-IF-01) issued from CySEC.

In this respect, persons employed by the Company will have integrity, morals and credibility.

The Company's staff shall be adequately trained, possess the skills, knowledge and expertise necessary to assess the needs and circumstances of each client.

They should have sufficient expertise in financial markets to understand the financial instruments to be sold and to determine when the features of the product match the needs and circumstances of the client.

The members of the Board of Directors need to have demonstrated sound business judgment and act with independence of mind during decision making, acting to the best interest of the Company as a whole. The recruitment and appointment of the members of the Board of Directors is subject to the approval of CySEC, following their assessment as "Fit and Proper".

2.3 Number of Directorships

The number of directorships held by members of the Board of Directors is shown in the table below. Directorships within the same group of companies are counted as one.

Name	Position	Executive Directorships	Non-Executive Directorships
Olga Soloveva Osipova	Executive Director	1	
Vadim Crivceanschi	Executive Director	1	
Rati Tchelidze	Non-executive & Dependent Director	4	1
Nicolaos Kelepeniotis	Non-executive & Independent Director		1
Kitti Savva Chrysoula	Non-executive & Independent Director		4
Guram Gogeshvili	Non-executive & Independent Director		1

2.4 Structure of Risk Management Function

1. Risk Management Function
2. Internal Audit
3. Legal and Compliance (Including Anti-Money Laundering and Terrorist Financing)
4. Accounting

Risk Management Function

The responsibilities of the risk management function include, without limitation:

- establishing, implementing and maintaining adequate risk management policies and procedures;
- adopting effective mechanisms and processes to manage the risks the Company is exposed to monitoring the adequacy and effectiveness of the risk management to policies and procedures;
- monitoring the level of compliance and the effectiveness of measures taken to tackle any deficiencies.

The risk management report is prepared on an annual basis regarding the status of the Company's risk management policies and procedures and any remedial measures taken to tackle any deficiencies. The risk management report is presented to the Company's Board of Directors for approval and subsequently sent to CySEC.

The risk management function is further strengthened by the following functions:

- Internal Audit

- Legal and Compliance (including the Anti-Money laundering and Terrorist Financing) □ Accounting.

Internal Audit

The internal audit function currently is outsourced to Grant Thornton. The internal audit function examines and evaluates the adequacy and effectiveness of the Company's policies, procedures and internal control mechanisms in relation to its legislative obligations. On-site inspections are carried out at the headquarters of the Company, recommendation reports are issued and the Company's compliance with its legislative obligations is verified. An internal audit report is prepared on an annual basis and is presented to the Company's senior management and Board of Directors. The approved report is then sent to CySEC.

The internal Auditors are responsible for ensuring that the company's policies, procedures, and regulations – as stipulated by the members of the board – are adequately followed, as well as to comment on the effectiveness of the aforementioned policies, procedures, and regulations.

Legal and Compliance (Including Anti-Money Laundering and Terrorist Financing)

The legal and compliance functions are outsourced, however Company appointed in-house Assistant AMLCO officer. The legal and compliance function establishes implements and maintains adequate procedures that detect the risk of the Company failing to comply with its legislative obligations, adequate measures to minimize its risk of compliance and to assist CySEC in effectively exercising its powers. This function operates independently and monitors and assesses the adequacy and effectiveness of the internal compliance policies and procedures and the actions taken to address any deficiencies. It also acts as an information point to the Company's employees with reference to the Company's legislative obligations. Reports on compliance and anti-money laundering and terrorist financing are prepared on an annual basis and presented to the Company's senior management and Board of Directors. As the final step, the reports are submitted to CySec.

Accounting

The accounting function plays a key role in the Company complying with its financial reporting obligations to CySEC. The accounting function is responsible for preparing the Company's consolidated financial statements in accordance with applicable accounting standards and rules in order to reflect a fair and true view of the Company's financial position. The consolidated financial statements are audited by the Company's external auditors and presented to the Board of Directors for approval.

In addition, the accounting function prepares the appropriate capital adequacy and large exposures forms for submission to CySEC on a quarterly basis in accordance with the Company's legislative obligations.

2.5 Information Flow on risk to the management body

The Board of Directors should have adequate knowledge, skills and experience in order to understand the Company's activities, including the principal risks. In this respect, the Board shall ensure that it receives on a frequent basis, and at least annually, written reports including Internal

Audit, Compliance, Anti Money Laundering & Terrorist Financing, Risk Management and ICAAP reports.

2.6 Declaration of the Management Body

The company generally maintains low risk appetite and this is demonstrated by the maintenance of effective processes in identification, assessment, monitoring and management of risks.

The Board is responsible for reviewing the effectiveness of the Company's risk management arrangements and controls, which are designed to manage risks.

The Board of directors considers that it has in place adequate systems and controls with regards to the Company's risk profile and strategy and appropriate mechanisms in order to avoid or minimise loss.

A description of the main risks faced by the Company can be found below:

2.6.1. Credit Risk Management

Credit risk arises when a failure by counterparties and or customers to discharge their obligations could reduce the amount of future cash inflows from financial assets held at the reporting date. Credit risk arises from cash and bank balances and trade receivables. Also, this risk primarily arises from exposures with credit institutions and investment firms as well as corporate and individual customers. It may also arise as a result of a downgrade in the credit ratings of rated counterparties. ICC Intercertus Capital Limited has no significant concentration of credit risk.

The company maintains its liquid Assets with high credit quality financial institutions and has policies in place that are intended to limit counterparty credit risk. Furthermore, all counterparties and financial institutions utilized are regulated entities within the European Union.

2.6.2 Liquidity Risk Management

Liquidity risk is the risk that arises when there are no sufficient liquid assets to meet liabilities as they fall due.

ICC Intercertus Capital Limited has procedures in place with the object of minimizing the risk of losses which may arise as a result of an unmatched position. The Company also ensures that has sufficient cash on demand to meet any operational expenses that arise.

2.6.3. Market Risk Management

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments.

Due to its business model, the Company's exposure to market risk arises from its exposure to foreign exchange risk and Interest Rate risk. Both risks are the risks that the value of financial assets and liabilities will fluctuate due to changes in foreign exchange and interest rates.

2.6.4 Operational Risk Management

Operational risk is the risk of loss arising from inadequate or failed internal processes, error, omission, inefficiency, systems failure or external events. The Company's Internal Regulations outline the policies and procedures to be followed by its employees, the reporting lines in place,

and each department's functions and responsibilities. The aim of the Regulations is to minimize the operational risk the Company faces. This is supported by a program of audits undertaken by the Internal Auditors of the Company.

In addition, the Company's business continuity policy ensures that the Company's operations will continue in the event of the occurrence of circumstances beyond its control.

3. Pillar I - Capital Adequacy

The Own Funds of the Company as at 31 December 2016 consisted solely of Tier 1 capital and are analyzed in Table 1 below:

Table 1: Own Funds	
(€000)	
Balance sheet Description	As at 31.12.2016
Share Capital	2
Share Premium	1380
Retained Earnings (PY)	-21
Audited income/loss for the year	-561
Other Intangible assets	-6
Additional deductions of CET1 Capital due to Article 3 CRR	-43
TOTAL Own Funds as per CoREP	751

Please refer to Appendix A for the detailed figures.

Authorized Capital

The authorized capital of the Company as at 31 December 2016 was 2.100 ordinary shares of €1 each.

Capital Adequacy Ratio

As at 31 December 2016, the Company's Capital Adequacy ratio was 53.41% based on the end of year unaudited figures.

3.1 Capital Requirements

Minimum regulatory capital requirements

The total Risk Weighted Exposures of the Company as at 31 December 2016 amounted to €1.406 thousand and are analyzed in Table 2 below:

Table 2: Minimum Capital Requirements (€000)	
Risk Category	Risk Weighted Exposures
Credit risk	524
Market Risk	18
Additional due to Fixed Overheads	864

TOTAL	1406
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The Company follows the Standardized Approach for the measurement of its Pillar 1 capital requirements for Credit Risk and Markets Risk and the Fixed Overheads Approach for Operational Risk.

3.2 Credit Risk

3.2.1 General

Credit Risk is defined as the risk that a counterparty will fail to discharge their obligation and cause the Company to incur a financial loss. Credit risk arises primarily on the following cases:

- Company's own funds and client funds deposited with bank institutions
- Client positions opened against the Company
- Company's deposited funds in prime broker's accounts
- Prime broker's failure to pay for profitable trades

ICC Intercertus Capital Limited has no significant concentration of credit risk. Clients pre-deposit (fund) their accounts before they commence trading operations, and, as such, the company does not maintain debit balances from clients in its books of account. Furthermore, the company utilizes industry specific software for monitoring client positions; if a client's position is approaching a negative balance, the client will automatically receive a "margin call". Furthermore, a clients' balances are never allowed to deteriorate to negative values, as a given margin is always tied, or held as collateral, protecting the Company from potential adverse market movements.

The company maintains its liquid Assets with high credit quality financial institutions and has policies in place that are intended to limit counterparty credit risk. Furthermore, all counterparties and financial institutions utilized are regulated entities within the European Union.

When selecting counterparties, the board is obligated to place clients' interest before their own and the company's, and does so always in accordance with the commission's best execution guidelines. During the due diligence process for counterparty selection, the following criteria are considered:

- Whether the counterparty in question is regulated by a competent authority.
- The reputation of the counterparty.
- Whether the execution terms of the counterparty in question are favourable for the company's clients.

3.2.2 Capital Requirements

The Company follows the Standardised Approach for the calculation of its minimum capital requirements for credit risk. Table 3 below presents the allocation of credit risk in accordance with the Standardised Approach exposure classes:

Minimum Capital Requirements 31 December 2016	Total Exposure Value	Risk-weighted amounts	Minimum Capital Requirements
Institutions	359	72	5,76

Corporates	428	428	34,24
Other items	25	24	1,92
TOTAL	812	524	41,92

The following Table presents the exposures of the Company per risk weight:

Table 4: Exposure Amount per risk weight (€000)	
Risk Weight	Exposure Amount
0%	1
20%	359
100%	452
TOTAL	812

3.2.3 Residual Maturity of Credit Risk Exposures

The following presents the residual maturity of the Company's credit risk exposures by asset class:

Table 6: Exposure Classes and Residual Maturity (€ 000)			
<u>Exposure Class</u>	Exposures as at 31	Maturity ≤ 3	Maturity > 3
	December 2016	months or Not	Applicable
Public Sector Entities	-	-	-
Institutions	359	-	359
Corporate	-	428	428
Other Items	1	24	25
Total	360	452	812

3.2.4. Geographic Distribution

The Company's exposures analyzed by geographical area are shown below:

Table 7: Exposure Classes and Geographic Distribution (€ 000)			
<u>Exposure Class</u>	Exposures as at 31	European	Non-European
	December 2016	Countries	Countries
			Total
Public Sector Entities	-	-	-

Institutions	359	-	359
Corporate	428	-	428
Other Items	25	-	25
Total	812	-	812

3.2.5. Industry sector of Credit Risk Exposures

A breakdown of the credit risk exposures by industry, for each exposure class at year end, is provided in the table below:

Table 8: Exposure Classes and Industry (€ 000)			
Exposures as at 31 Financial Other December 2016			Total
<u>Exposure Class</u>			
Public Sector Entities	-	-	-
Institutions	359	-	359
Corporate	-	428	428
Other Items	3	22	25
Total	362	450	812

3.2.6 Impairment of assets

As at 31 December 2016, the Company did not recognize any impairment losses or provisions.

3.3 Operational Risk

3.3.1 General

Operational Risk is defined as Risk of loss resulting from inadequate or failed internal processes, people and systems or from external events.

The Company's Internal Regulations outline the policies and procedures to be followed by its employees, the reporting lines in place, and each department's functions and responsibilities. The aim of the Regulations is to minimize the operational risk the Company faces. This is supported by a program of audits undertaken by the Internal Auditors of the Company.

In addition, the Company's business continuity policy ensures that the Company's operations will continue in the event of the occurrence of circumstances beyond its control.

ICC Intercertus Capital Limited has moderate Operational Risk - Although the company has adequate internal procedures and systems back up facilities in place, it is faced with a moderate risk because of its small size, as it relies on the Board's expertise and small number of employees.

3.4 Market and Liquidity Risk

3.4.1 General

Market Risk is defined as Risk to value, earnings, or capital arising from movements of risk factors in financial markets.

ICC Intercertus Capital Limited had Low Market Risk for 2016, as the company operated as an STP Broker and did not undertake any market positions for own account.

Under the STP Model, each trade is client-initiated, and executed, outside an exchange/regulated market, between the client and the Company upon mutual acceptance, and subject to prior terms agreed.

When a client wants to trade, via the company's platform, he/she self-initiates (self-manages) a standardized (electronic) form, and hence request execution of it (order) at rate displayed (what you see is what you get). Once executed, the confirmation of the transaction appears electronically on the client's terminal in the platform (MT4). The Company therefore does not assist the client in the making of the order.

To accommodate clients' orders, the Company has entered an agreement with a counterparty that is willing to engage into trades with the Company on tradable rates. The Company will subsequently display tradable rates to its clients, which may request execution on such rates. The Company is therefore the immediate counterparty to its clients.

At the same time, instantly (back to back) for each transaction, the Company will be executing an equivalent offsetting transaction with a counterparty so as to cancel all market risk and facilitate the settlement of the client's transaction. Without the counterparty being willing and obliged to execute the Company's offsetting transaction on tradable rates, there can be no transaction established by the Company's client.

The counterparty, when acting as described above, is not considered to be executing transactions in the name of each client of the Company, but to execute transactions for the Company as a corporate entity.

The revenues of the Company are derived by means of positive spread differences between rates/prices offered to clients and the corresponding institutional-level rates/prices the Company has the ability to transact on back to back with counterparties, i.e. the spread between the rate presented by the company on its trading platform(s), with which the clients contract their business with the company, and the rate at which the company instantly contracted with its counterparty(ies).

More explicitly, the arrival of a client's execution request instantly results in both a contract with the client, for which the client receives a confirmation, and the same contract with the counterparty that sets off the company's market risk, and facilitates the settlement of transaction Profit/Loss. Hence, the company is instantly setting-off all market risk from each client's contract effected using a straight-through processing arrangement.

3.4.2. Foreign Exchange Risk

Foreign Exchange Risk is the risk that the value of the financial instruments will fluctuate due to changes in foreign exchange rates. As the company's principal activity is trading in foreign currency, it is exposed to foreign currency risk as a result of the existence of open currency positions in the currencies in which it performs transactions with its customers. The company's management monitors the exchange rate fluctuations on a continuous basis and acts accordingly.

4. Remuneration

4.1. General

ICC Intercertus Capital Ltd has established a remuneration policy. The purpose of the remuneration policy is to set out the remuneration practices of the Company taking into consideration the salaries and benefits for certain categories of employees, in accordance with the provisions of CySEC's Directive DI144-2014-14, for the prudential supervision of Investment Firms, Circulars 031, C138 and C145, as well as with ESMA/2016/904 where these shall comply with specific principles in a way and to the extent that is appropriate to their size, internal organization and the nature, the scope and the complexity of their activities.

For the purpose of this policy «Remuneration» means all forms of payments or benefits provided directly or indirectly by the Company to relevant persons in the provision of investment and/or ancillary services to clients. It can be either financial (such as cash, shares, options, cancellations of loans to relevant persons at dismissal, pension contributions, remuneration by third parties e.g. through carried interest models, wage increases) or nonfinancial (such as career progression, health insurance, discounts or special allowances for car or mobile phone, generous expense accounts, seminars in exotic destinations, etc).

4.2. Performance Related Pay

The Company implements a performance appraisal method, mainly to foster talent and promote healthy competition amongst personnel (i.e. it is not currently related to any variable remuneration scheme) which is based on a set of Key Performance Indicators, developed for each department. In general, the performance appraisal is performed in a multiyear framework in order to ensure that the appraisal process is based on longer-term performance and that in the future (i.e. when applicable), the actual payment of performance-based components of remuneration will be spread over a period which will take into account the Company's underlying business cycle.

Additionally, the performance appraisal on medium and short-term is being performed as follows:

- a. The appraisal entails the review of the performance of the individuals against the set personal targets/objectives of the year.
- b. Targets/objectives are defining what the Company's functions, departments and individuals are expected to achieve over an upcoming period of time.
- c. There are also mid-term procedures that allow, if necessary, to amend any targets/objectives and incorporate any changes that might happen during the year.
- d. Performance checks and feedbacks: managers provide support and feedback to the concerned staff during the time periods decided, during the daily activities or during formal or informal performance reviews; the aim is to assist the staff to develop their skills and competencies
- e. Performance evaluation takes place annually, usually at the end of each year in order to set the targets for the following year.

4.3. Remuneration Committee

It is noted that the Company has taken into account its size, internal organization and the nature, the scope and the complexity of its activities and it does not deem necessary the establishment of a Remuneration Committee. The design of the remuneration policies and practices has been

approved by the Board of Directors after taking advice from the compliance function. In case the Company shall deem necessary to establish a Remuneration Committee in the future, then this section shall be updated as applicable.

4.4. Fixed Remuneration

The employees' total remuneration currently consists of a fixed component while variable components may also occur. Fixed remuneration varies for different positions/roles depending on each position's actual functional requirements, and it is set at levels which reflect the educational level, experience, accountability, and responsibility needed for an employee to perform each position/role.

The Remuneration Policy is also set in comparison with standard market practices employed by the other market participants/competitors. The Company's Remuneration policy is to provide an attractive fixed remuneration to its employees so to ensure good and stable performance.

The Company's fixed remuneration is approved by the Board of Directors for all the relevant employees. Benefits provided to the Company's employees, such as medical, indemnity & insurance protection, card and rent allowances are not employee performance-related and are considered part of the Fixed Remuneration.

The Company determines only fixed remuneration for third parties which provide MiFID Compliance, AML and Internal Audit as well as IT support services based on the work performed and market conditions.

The fixed remuneration of third parties, for whom this Remuneration policy is of concern, is determined in an individual service contract with the service provider. The size of the remuneration shall be determined by the current market conditions. The fixed remuneration is not performance related.

Total remuneration and scope of services are negotiated by the Company and service provider before signing the service contract and commencing duties under the contract.

4.5. Variable Remuneration

The Company does not guarantee any variable remuneration. Nevertheless, the Company is dedicated to recognize the contribution of the employees to its success by payment of bonuses whenever it is financially appropriate and depending on the performance of the Company as a whole. Moreover, the variable remuneration is also allocated to employees based on the individual performances. The current portion of the variable remuneration does not exceed the annual fixed remuneration of any employee.

The Board of Directors for the payment of any variable remuneration to employees takes into consideration and reviews the current financial position and performance of the Company, the development plans, liquidity, operational and capital risks.

Where remuneration is performance related, the total amount of remuneration is based on a combination of the assessment of the performance of the individual and of the business unit concerned and of the overall results of the credit institution and when assessing individuals' performance, financial as well as non-financial criteria are taken into account.

It is noted that, no remuneration is payable under deferral arrangements (with vested or unvested portions), nor there are any severance payments.

Further to this, the Company shall periodically review the Remuneration Policy, as and when applicable, and thus adjust it, should the need arises for remuneration to include any other possible sources of additional variable components.

In this regard, it is understood that if the Remuneration Policy should incorporate additional variable components in the future, then the fixed and variable components should be appropriately balanced and the fixed component shall always represent a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible Remuneration Policy on variable remuneration components (even to allow for zero variable component to be offered).

Further to the above, variable remuneration should be designed to ensure that the total remuneration remains in competitive levels thus rewarding the staff for its performance whilst remaining aligned with the department's and/or the Company's performance and long term targets.

Currently the Company provides bonus to all employees and commission based on net commission income from clients to sales staff.

4.6 Aggregate quantitative information on remuneration by Business area

During the year ended 31 December 2016, remuneration consisted of fixed monthly salaries and performance based bonuses. The table below presents the annual fixed and variable remuneration per business area as at 31 December 2016, for those categories of staff whose professional activities have a material impact on the risk profile of the Company:

Table 9: Annual Aggregate Remuneration by Business Area (000€)	No.of staff during the Year	Fixed	Variable	Non-cash	Total
Operations	2	54,818			54,818
Administrative and Other	5	78,509			78,509
Total	7	133,327			133,327

The table below shows the fixed and variable remuneration paid to those categories of staff whose professional activities have a material impact on the risk profile of the Company, broken down by Senior Management and staff:

Annual Aggregate for senior Management and staff whose actions have a material impact on the risk profile of the institution	No.of staff during the Year	Fixed	V ar	No ncas h	Total	Vested portion of outstanding deferred remuneration	Unvested portion of outstanding deferred remuneration	Deferred remuneration awarded during the year
Executive Directors Remuneration	2	89,142			89,142			

Total	2	89,142			89,142			
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Variable cost includes bonus, overtime pay, bank holidays and weekends payments.

5. Appendix A

Balance sheet reconciliation with Own Funds as per CoREP

Balance sheet Description- As at 31 December 2016	(€'000)
Eligible own funds	
Share Capital	2
Share Premium	1.380
Retained Earnings (PY)	(21)
Other reserves	0
Audited income/loss for the year	(561)
Total equity as per Audited Financial statements	800
Deferred tax assets	0
Additional deductions of CET1 capital due to Article 3 CRR	(43)
Other intangible assets	(6)
Adjustments to own funds for the purposes of Own Funds	0
TOTAL Own Funds as per CoREP	751

Transitional Own Funds Disclosure

Own Funds As at 31 December 2016	(€000)
Common equity Tier 1 capital: instruments and reserves	
Capital instruments and the related share premium accounts	1382
Retained Earnings	(582)
Accumulated other comprehensive income (and other reserves to include unrealized gains and losses under the applicable accounting standards)	0

Common equity Tier 1 (CET1) capital before regulatory adjustments	800
Additional value adjustments	(49)
Total regulatory adjustments to Additional Tier 1 (AT1) capital	0
Additional Tier 1 (AT1) capital	0
Tier 1 capital (T1 =CET1 +AT1)	751
Tier 2 (T2) capital before regulatory adjustments	0
Tier 2 (T2) capital: regulatory adjustments	
Total regulatory adjustments to Tier 2 (T2) capital	0
Tier 2 (T2) capital	0
Total capital (TC=T1+T2)	751
Total risk weighted assets	1,406
Capital ratios and buffers	
Common Equity Tier 1	53,41%
Tier 1	53,41%
Total capital	53,41%

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ICC Intercertus Capital Ltd is registered as a Cyprus Investment Firm (CIF) and licensed by the Cyprus Securities and Exchange Commission (CySEC) under license number 301/16. in accordance with the Markets in Financial Instruments Directive (MiFID).