

ETORO (EUROPE) LIMITED: EXCESS OF LOSS INSURANCE

eToro (EUROPE) Limited ("**eToro**") has taken out insurance to offer protection to eligible customers in the event of eToro being subject to an Insolvency Event (the "**Insurance Policy**").

The information below summarises the key features and limitations of the Insurance Policy, but it does not set out the full details of the Insurance Policy which can be found [\[here\]](#). In the case of any discrepancies between this document and the Insurance Policy, the Insurance Policy will prevail. If you have any questions please [contact us](#).

1. WHAT IS EXCESS OF LOSS INSURANCE?

If eToro is subject to an Insolvency Event (as defined in section 2 below) it has an Insurance Policy which provides Eligible Claimants (as defined in section 3 below) with protection for Losses (as defined in section 5 below), subject to certain deductions set out in the Insurance Policy.

2. WHAT DOES "INSOLVENCY EVENT" MEAN?

In the Insurance Policy, "**Insolvency Event**" has a specific meaning which essentially means when eToro is likely to be unable to pay claims from Eligible Claimants. Please refer to the Insurance Policy for the full meaning.

3. WHO IS COVERED?

eToro customers who are private individuals and some small businesses ("**Eligible Claimants**"). For more information on eligibility, see the [Insurance Policy](#).

The Insurance Policy will only pay out to Eligible Claimants who submit a claim to the insolvency practitioner appointed to deal with eToro's insolvency within 12 months of the Insolvency Event. No claim shall be payable until the insolvency practitioner has finally determined and quantified the claim of each Eligible Claimant and any amount to be received by the Eligible Claimant has been calculated, determined and accepted.

4. WHAT PRODUCTS ARE COVERED?

The Insurance Policy covers cash and securities as defined in the Insurance Policy. This will generally mean all of eToro's products, including cash but excluding real cryptocurrencies, which a customer holds on the date eToro is subject to an Insolvency Event.

5. WHAT TYPES OF LOSSES ARE COVERED?

If eToro is subject to an Insolvency Event, the Insurance Policy would cover losses suffered by Eligible Claimants caused by an Event of Misconduct which has a specific meaning in the Insurance Policy as explained below.

An "**Event of Misconduct**" includes the loss of cash or securities belonging to an eToro customer as a result of theft, misplacement, robbery, hold-up, burglary, embezzlement, wrongful abstraction, larceny, false pretences, or fraud by eToro or any of its employees, agents, or any other persons (together these comprise "**Losses**").

The Insurance Policy does not cover any losses which are not related to the above, including a customer's losses arising from day-to-day performance of investments or any consequential or indirect losses related thereto. Other exclusions are listed in the Insurance Policy.

In respect of open positions, the Insurance Policy would only cover the collateral you put up and not the value of the open positions.

6. ARE THERE ANY LIMITS ON THE LEVEL OF COVER PROVIDED?

Yes, the Insurance Policy covers an Eligible Claimant's Losses **up to a maximum amount of €1,000,000 (one million Euro)** per Eligible Claimant. There will be deducted from your total Losses: (a) **€20,000 (twenty thousand Euro)**, which is known as a Retention in the Insurance Policy; (b) any liability you owe to eToro; and (c) any Distributions or Deemed Distributions as defined in the Insurance Policy.

The Insurance Policy also **has an overall maximum limit of €25,000,000 (twenty five million Euro)**. This is the most it will pay out in aggregate for all Eligible Claimants. Therefore, there is a chance you may not get all of your Losses back if the aggregate Losses of all Eligible Claimants exceed this maximum cap.

7. HOW DOES IT WORK?

Step 1: If eToro is subject to an Insolvency Event and an Eligible Claimant suffers Losses, then they would be able to claim under the Insurance Policy for Losses up to a maximum amount of **€1,000,000 (one million Euro)** (subject to the overall limit under the Insurance Policy). In order to do this, the Eligible Claimant must submit a claim to the insolvency practitioner appointed to deal with eToro's insolvency and submit an Investor Compensation Claim Form to eToro within 12 months of the Insolvency Event. The Investor Compensation Claim Form is available [\[here\]](#).

Step 2: The insurer would then pay to eToro or the insolvency practitioner an amount equal to the Net Loss (as defined in the Insurance Policy) of all Eligible Claimants, subject to the aggregate maximum threshold of **€25,000,000 (twenty-five million Euro)**. eToro would hold this money on trust for the benefit of its Eligible Claimants.

Step 3: eToro, or any third party appointed on its behalf (including an insolvency practitioner), would then distribute the amount received from the insurer to Eligible Claimants in the manner it thinks fit.

Please note that customers have no direct rights to claim against the insurer or under the Insurance Policy. Any payout is ultimately subject to the absolute discretion of eToro or the third party appointed on its behalf to distribute any payments under the Insurance Policy.

8. ARE THERE ANY OTHER MATTERS I SHOULD BE AWARE OF?

Yes, the Insurance Policy is subject to certain conditions, limitations and exclusions which can be found in the Insurance Policy, [\[here\]](#). For example, and without limitation, the Insurance Policy would not cover: losses caused by any reduction in the market value of your assets that are protected by the Insurance Policy; losses arising from any fraudulent, dishonest, wrongful or negligent overstatements or misrepresentations that you are involved in; or losses arising from a cyber-attack. You should read the Insurance Policy in full for more details carefully. This document is not a substitute for reading the full Insurance Policy.

Any payment under the Insurance Policy is subject to the condition that the insolvency practitioner does not require an Eligible Claimant to assign to or pay over to the insolvency practitioner any amounts they receive under the Insurance Policy.

Any payment by the Insurer under the Insurance Policy and the administration of the Insurance Policy is dependent on the cooperation of eToro (acting by the insolvency practitioner where eToro is subject to an Insolvency Event) and its compliance with its obligations under this Policy.

9. DETAILS OF THE INSURANCE

The Insurance Policy is administered by agency Willis Tower Watson and is underwritten by a consortium of syndicates at Lloyd's of London.

10. HOW MUCH DOES IT COST?

The Insurance Policy is free for customers; its costs are entirely borne by eToro.

11. CAN ETORO REMOVE THIS PROTECTION?

Yes, eToro has no obligation to provide the Insurance Policy. eToro may amend or cancel the Insurance Policy altogether at any time. eToro will update this page as soon as reasonably practicable in such cases.

12. ANY QUESTIONS?

Please [contact us](#).

ETORO AUS CAPITAL PTY LIMITED: EXCESS OF LOSS INSURANCE

eToro Aus Capital Pty Limited ("eToro") has taken out insurance to offer protection to eligible customers in the event of eToro being subject to an Insolvency Event (the "**Insurance Policy**").

The information below summarises the key features and limitations of the Insurance Policy, but it does not set out the full details of the Insurance Policy which can be found [\[here\]](#). In the case of any discrepancies between this document and the Insurance Policy, the Insurance Policy will prevail. If you have any questions please [contact us](#).

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2. WHAT DOES "INSOLVENCY EVENT" MEAN?

In the Insurance Policy, "**Insolvency Event**" has a specific meaning which essentially means when eToro is likely to be unable to pay claims from Eligible Claimants. Please refer to the Insurance Policy for the full meaning.

3. WHO IS COVERED?

eToro customers who are private individuals and some small businesses ("**Eligible Claimants**"). For more information on eligibility, see the [Insurance Policy](#).

The Insurance Policy will only pay out to Eligible Claimants who submit a claim to the insolvency practitioner appointed to deal with eToro's insolvency within 12 months of the Insolvency Event. No claim shall be payable until the insolvency practitioner has finally determined and quantified the claim of each Eligible Claimant and any amount to be received by the Eligible Claimant has been calculated, determined and accepted.

4. WHAT PRODUCTS ARE COVERED?

The Insurance Policy covers cash and securities as defined in the Insurance Policy. This will generally mean all of eToro's products, including cash but excluding real cryptocurrencies, which a customer holds on the date eToro is subject to an Insolvency Event.

5. WHAT TYPES OF LOSSES ARE COVERED?

If eToro is subject to an Insolvency Event, the Insurance Policy would cover losses suffered by Eligible Claimants caused by an Event of Misconduct which has a specific meaning in the Insurance Policy as explained below.

An "**Event of Misconduct**" includes the loss of cash or securities belonging to an eToro customer as a result of theft, misplacement, robbery, hold-up, burglary, embezzlement, wrongful abstraction, larceny, false pretences, or fraud by eToro or any of its employees, agents, or any other persons (together these comprise "**Losses**").

The Insurance Policy does not cover any losses which are not related to the above, including a customer's losses arising from day-to-day performance of investments or any consequential or indirect losses related thereto. Other exclusions are listed in the Insurance Policy.

In respect of open positions, the Insurance Policy would only cover the collateral you put up and not the value of the open positions.

6. ARE THERE ANY LIMITS ON THE LEVEL OF COVER PROVIDED?

Yes, the Insurance Policy covers an Eligible Claimant's Losses **up to a maximum amount of 1,000,000 AUD per Eligible Claimant**. There will be deducted from your total Losses: (a) **20,000 AUD**, which is known as a Retention in the Insurance Policy; (b) any liability you owe to eToro; and (c) any Distributions or Deemed Distributions as defined in the [Insurance Policy](#).

The Insurance Policy also **has an overall maximum limit of 15,000,000 AUD**. This is the most it will pay out in aggregate for all Eligible Claimants. Therefore, there is a chance you may not get all of your Losses back if the aggregate Losses of all Eligible Claimants exceed this maximum cap.

7. HOW DOES IT WORK?

Step 1: If eToro is subject to an Insolvency Event and an Eligible Claimant suffers Losses, then they would be able to claim under the Insurance Policy for Losses up a maximum amount of **1,000,000 AUD** (subject to the overall limit under the Insurance Policy). In order to do this, the Eligible Claimant must submit a claim to the insolvency practitioner appointed to deal with eToro's insolvency and submit an Investor Compensation Claim Form to eToro within 12 months of the Insolvency Event. The Investor Compensation Claim Form is available [\[here\]](#).

Step 2: The insurer would then pay to eToro or the insolvency practitioner an amount equal to the Net Loss (as defined in the Insurance Policy) of all Eligible Claimants, subject to the aggregate maximum threshold of **1,000,000 AUD per Eligible Claimant** and an overall maximum limit of 15,000,000 AUD for the Insurance Policy. eToro would hold this money on trust for the benefit of its Eligible Claimants.

Step 3: eToro, or any third party appointed on its behalf (including an insolvency practitioner), would then distribute the amount received from the insurer to Eligible Claimants in the manner it thinks fit.

Please note that customers have no direct rights to claim against the insurer or under the Insurance Policy. Any payout is ultimately subject to the absolute discretion of eToro or the third party appointed on its behalf to distribute any payments under the Insurance Policy.

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