

'EF ASSET MANAGEMENT' AD POLICY
ON ACCEPTING AND PROCESSING COMPLAINTS

Section I

GENERAL PROVISIONS

Art. 1. The policy on accepting and processing complaints /the Policy/ of 'EF ASSET MANAGEMENT' AD management company (MC), hereinafter called for short 'the company' or 'the management company' regulates the company's system of accepting and processing complaints.

Art. 2. The Policy is aimed at the creation and maintenance of a complaint processing organization which provides fair handling of each separate case and guarantees the identification and avoidance of conflicts of interests.

Art. 3. When designing and implementing the Policy, the following basic principles are taken into consideration: provision of reliable and effective management of the acceptance and processing of complaints that have been lodged with the company, and enactment of measures for avoidance of any conflicts of interests.

Art. 4. The management company analyzes the complaints lodged with the company and takes measures to eliminate the weaknesses identified on the grounds of the complaints, constantly analyzing the information concerning the complaints for the purpose of establishing and overcoming repeated problems or systematic ones and potential legal and operational risks.

Art. 5. In order to identify the general weaknesses in its activity, the management company analyzes each separate case and judges whether the identified weaknesses have an impact on other processes as well or the products offered, including those with regard to which no complaints have been filed.

Art. 6. Prior to the conclusion of any contract, the management company provides the following information in an easily accessible way:

1. the procedure for lodging claims as set out in the Policy on accepting and processing the claims, and the Internet site on which this Policy is published;
2. possibility of lodging claims with the Financial Supervision Commission and other state authorities as well as those forms of out-of-court resolution of disputes which are available to the investor in the Republic of Bulgaria.

Section II

LODGING AND CONSIDERING COMPLAINTS

Art. 7. (amended through a decision of the Board of Directors, dated 13.05.2020) Each client of the management company has the right to lodge a complaint free of charge. The complaint can be lodged in writing in Bulgarian and/ or English:

- at the office of the company or by ordinary mail at the following address: 1592 Sofia, Bulgaria, 43 Christopher Columbus Blvd.

- by either electronic mail at the following address: office@efam.bg .The complaints by electronic mail are accepted if they are filed via the electronic mail which the client has specified as a contact e-mail in the course of establishing the contractual relationships.

Art. 7a. (New, adopted by decision of the Board of Directors, dated 13.05.2020) Anonymous complaints are not considered.

Art. 8. The management company is obliged to register each complaint, to consider it and to reply thereto without undue delay, doing so not later than 10 working days following the date on which the complaint is lodged.

Art. 9. Where it is impossible to send a reply within the term set out in Art. 8, the management company immediately notifies the complainant and the Financial Supervision Commission of the reasons for the delay and fixes a deadline for the completion of the check-up and the preparation of the reply.

Art. 10. It is on the day the complaint is lodged that the officials of the Marketing and Advertising & Public Relations Department enter the complaint into a special journal, abiding by the requirements laid down in Art. 149, para. 2 of Ordinance No. 44 on the requirements for the activity of collective investment schemes, management companies, national investment funds and the persons managing alternative investment funds, and, not later than the end of the next working day, they pass on the complaint for its being considered by the Head of the Regulatory Compliance Department.

Art. 11. The Head of the Regulatory Compliance Department familiarizes himself/herself with the complaint lodged and carries out the necessary investigation or check-up in due time.

Art. 12. The Head of the Regulatory Compliance Department holds a meeting or a telephone conversation with the complainant for clarification of the case. If the Head of the Regulatory Compliance Department so decides, the meeting may be attended by the official of the management company against whom the complaint is lodged.

Art. 13. (amended through a decision of the Board of Directors, dated 15.03.2018) In the course of processing the complaint, the management company:

1. collects and examines all the relevant evidence and information connected with the complaint;
2. conducts correspondence in a language which is clear and comprehensible to both parties - in Bulgarian and/ or English.

Art. 14. The talks held in connection with clarifying the case are documented by the Head of the Regulatory Compliance Department.

Art. 15. The reply to the complainant states the motives for the management company's position taken with regard to the complaint and gives information about the possibility of lodging complaints with the Financial Supervision Commission and other state authorities and about those forms of out-of-court resolution of disputes which are available to the investor in the Republic of Bulgaria.

Art. 16. Where the complaint is well-founded – either totally or partially – the management company uses its best efforts to satisfy the claims of the client and to avoid any possible court or arbitration disputes.

Art. 17. If necessary, the people representing the company also take part in each stage of the investigation and consideration of the complaint.

Art. 18. It is within 10 working days following the lodging of the complaint that the Head of the Regulatory Compliance Department draws up a written reply to the complainant, submits it for being signed by the representatives of the company and sends it to the complainant.

Art. 19. It is not later than 10 working days following the end of each quarter in which a complaint is filed and/or considered that the management company submits to the Financial Supervision Commission information about:

1. the date of receiving the complaint and its unique number;
2. the personal name/business name and the identification number of the person (PIN/UIC) that has lodged the complaint;
3. the name of the official who is in charge of handling the complaint;
4. the measures taken in connection with the complaint;
5. the date on which the reply to the complainant is sent and the mode of sending it;
6. number of contacts made in connection with the complaint lodged;
7. brief description of the complaint showing at least the type of service, grievance or claim of the complainant and the manner of acting;
8. mode of communication with the complainant through which the latter can receive current information in the course of consideration of the complaint.

Section III

JOURNAL OF COMPLAINTS

Art. 21. The complaints lodged with the management company are entered in a special journal of complaints on the day on which they are lodged on a magnetic carrier and/or in a paper form.

Art. 22. The management company ensures a high level of security in the course of processing the electronic data, this also including security with regard to the entirety and confidentiality of the recorded information.

Art. 23. The management company lays down the level of access to the information in the course of processing the complaints, the said level being in compliance with the requirements set out in Art. 118 of Ordinance No. 44 on the requirements for the activity of collective investment schemes, management companies, national investment funds and the persons managing alternative investment funds, and this Policy.

Art. 24. The journal of clients' complaints of the management company contains the following information:

1. the date on which the complaint is received in the management company and the unique number of the complaint;

2. the client number of the complainant;
3. the reference number of the primary documents kept in the repository of the management company, as well as other additional information;
4. the name and signature of the person who has registered the complaint;
5. the date on which the complaint is considered by the management company;
6. the measures taken with respect to the complaint;
7. the name of the person who has entered the measures adopted.

Art. 25. The journal under Art. 24 is maintained and kept by the Marketing and Advertising & Public Relations Department.

Section IV

SUBMISSION OF COMPLAINTS BEFORE GOVERNMENT BODIES

OUT-OF-COURT SETTLEMENT OF DISPUTES

(New, adopted by decision of the Board of Directors, dated 13.05.2020)

Art. 26. Except before the Management Company in the ways described in Art. 7 of this Policy, customers may contact:

- Financial Supervision Commission – address: 1000 Sofia, 16 Budapeshta str., Call center: +3592 94 04 999, E-mail: delovodstvo@fsc.bg
- Sector-specific conciliation committees for Dispute Resolution in the Field of Activities and Services under Markets in Financial Instruments Act and activities and services under art. 86, para. 1 and 2 of Collective Investment Schemes and Other Undertakings for Collective Investments Act, including in the provision of distance financial services in these sectors to Commission for Consumer Protection: address: 1000 Sofia, 4A Slaveykov squ., Tel: + 359 2 933 05 90; 4 e-mail: adr.finmarkets@kzp.bg; WEB: www.kzp.bg;
- General conciliation committees of the Commission for Consumer Protection – address: 1000 Sofia, 4A Slaveykov squ. tel: + 359 2 933 05 17; e-mail: adr.sofia@kzp.bg; WEB: www.kzp.bg.
- Mediator, entered in the Uniform Register of Mediators for out-of-court settlement of disputes under the Mediation Act: address: 1000 Sofia, 5 Aksakov str., Tel.+359 2 92 37 345, WEB: www.justice.government.bg.

Section V

CONCLUDING PROVISIONS

(Previous IV, amended through a decision of the Board of Directors, dated 13.05.2020)

§ 1. This Policy was adopted through a decision of the Board of Directors of 'EF ASSET MANAGEMENT' AD, dated 29 December 2016 and was subsequently amended through a decision of the Board of

Directors of 'EF ASSET MANAGEMENT' AD, dated 15 March 2018 and 13 May 2020, amendments coming into force on the date of their adoption.

§ 2. This Policy is adopted on the grounds of Art. 118, para. 1 of Ordinance No. 44 on the requirements for the activity of collective investment schemes, management companies, national investment funds and the persons managing alternative investment funds, and this Policy, and Art. 104, para. 1, subpara. 7 of the Law on the activity of collective investment schemes and other collective investment undertakings.

§ 3. This Policy supersedes Section III. 'Procedure for handling clients' complaints, claims and contestations' of the Rules on the internal organization and control of 'EF ASSET MANAGEMENT' AD.