



**CLIENT COMPLAINTS MANAGEMENT
RULES OF DELTASTOCK**

I. GENERAL PROVISIONS

1. These Client Complaints Management Rules of Deltastock ("The Rules") have been developed on the basis of and in accordance with the provisions of Art. 26 of Delegated Regulation (EU) 2017/565 of the Commission of 25 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council as regards organisational requirements and operating conditions for investment intermediaries and the and defined terms for the purposes of that Directive (Delegated Regulation 2017/565), in relation to Art. 68 and Art. 69, Para. 1 of the Markets in Financial Instruments Act (MiFIA) and comply with the requirements of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92 /EC and of Directive 2011/61 / EU (MiFID II), and in particular Art. 16, Para. 2.
2. The purpose of the Rules is to establish, implement and maintain effective and transparent policies and procedures for managing complaints and procedures for timely consideration of complaints by clients (retail clients, professional clients or eligible counterparties) or potential clients of Deltastock.
3. The rules, in their up-to-date version, are available and freely accessible on Deltastock's website (www.deltastock.com) and also at the office of the investment intermediary.

The Rules are not part of the agreement between the client and Deltastock or the applicable general terms of business, but are a separate document. Deltastock provides the client with the Rules, together with the other documents which they must familiarise themselves with before signing the agreement.

4. Information related to the complaints handling process, including information on complaints management policy and contact details of the complaint management unit, is provided to clients and potential clients upon request or when a complaint is received.

II. COMPLAINTS MANAGEMENT POLICY

5. Filing of complaints related to disputes between the parties arising in connection with the provision of investment and ancillary services within the meaning of MiFIA shall be made in accordance with the provisions of these Rules.
6. Filing of complaints related to disputes between the parties arising from the application of Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories (EMIR), their handling and the corresponding replies are received in accordance with the procedure set out in this Regulation.

7. Within the meaning of the Rules, a complaint is any written statement of dissatisfaction addressed to Deltastock AD by a client (retail client, professional client or eligible counterparty) or potential client of the investment intermediary in conjunction with the investment intermediary's provision of investment and/or ancillary services within the meaning of MIFIA.
8. Clients and potential clients of Deltastock file complaints to the investment intermediary completely free of charge.
9. Deltastock establishes that the complaints management unit, which is responsible for managing complaints, is the Compliance Department of Deltastock, which is also the compliance unit of the investment intermediary.
10. Upon handling and responding to the complaints, Deltastock:
 - a) follows specific procedures set out in The Rules;
 - b) strives to obtain and examine all relevant evidence and information on the case;
 - c) keeps in touch with the complainant (client or potential client) in a clear manner, in plain language that is easy to understand;
 - d) provides a response within the time limit set out in The Rules, without undue delay;
 - e) provides opportunity for subsequent protection of the complainant's interests if the complainant is not satisfied with the response.

III. PROCEDURE FOR RECEIVING COMPLAINTS

11. Complainants can file complaints in one of the following ways:
 - a) in writing in person at the office of Deltastock;
 - b) in writing on hard copy sent by post;
 - c) by email to compliance@deltastock.com;
 - d) online on Deltastock's website via an electronic form at: <http://www.deltastock.com/bulgaria/home/feedback.asp?t=6>.
12. When complainants file written complaints in person at the office of Deltastock, they have the opportunity to communicate with the employees of the investment intermediary and discuss the issue.

When using this complaint filing method, the complainant puts forward a written statement of their complaint and hands it over to the employee of Deltastock with whom they have conducted the complaint register process.

The complaint may be written in free form or by form approved by order of the Senior Management of Deltastock.

When the complaint is in free form, it must be stated how and where the complainant wishes to receive the response to their complaint.

The employee of Deltastock who has received the complaint passes it on to a designated employee of Deltastock for entry into the complaints register for subsequent processing.

13. When complainants file their complaints in writing on hard copy by post, they must send their letters to Deltastock's office and address them to the attention of the Compliance Department of the investment intermediary.

The complaint may be written in free form or by form approved by order of the Senior Management of Deltastock.

When the complaint is in free form, it must be stated how and where the complainant wishes to receive the response to their complaint.

An employee of the Compliance Department who has received the complaint passes it over to a designated employee of Deltastock for entry into the complaints register and directs it for subsequent processing.

If the complainant did not explicitly address the letter to the attention of the investment intermediary's Compliance Department and the complaint enters in the general flow of incoming correspondence, the employee responsible for recording the correspondence passes on the complaint to a designated employee of Deltastock for entry in the complaints register for subsequent processing.

14. When complainants file their complaints by email, they should send it to the email address of Deltastock's Compliance Department at: compliance@deltastock.com.

The complaint may be written in free form or by form approved by order of the Senior Management of Deltastock.

When the complaint is in free form, it is obligatory to state how and where the complainant wishes to receive the response to their complaint, and in lack of such statement, the response shall be sent to the email address that the complaint was sent from.

An employee of Compliance Department forwards the complaint to a designated employee of Deltastock for entry into the complaints register and directs it for subsequent processing.

If the complainant did not explicitly address the letter to the email address of the investment intermediary's Compliance Department, but sent it to the official email address of Deltastock or to the email addresses of any of the employees or departments of the investment intermediary, the relevant employee who received the letter forwards it to a designated employee of Deltastock for entry into the complaints register and subsequent processing.

15. When complainants file their complaints online on Deltastock's website via the electronic form, they use the relevant form.

When the complaint is filed in this manner, the response shall be sent to the email address stated in the online form.

A designated employee of Deltastock registers the complaint into the complaints register and directs it to subsequent processing.

IV. COMPLAINTS RECORDING PROCEDURE

16. The filed complaints shall be logged in the order of their entry in a complaints register.

In the course of communication with the complainant, if Deltastock responds to a complaint, but the complainant responds with a subsequent complaint, or a comment to the response, and the communication continues in this cycle one or several times, Deltastock examines and responds to the repeated complaints, in the order in which it examines and responds to the complaint itself, but repeated complaints are not entered in the complaints register as stand-alone complaints, and as they are logically and procedurally related to the primary complaint, they are entered under its unique number.

17. The complaints register is kept by a designated employee of Deltastock, appointed by order of the Senior Management of the investment intermediary.

18. Entries in the complaints register are made electronically with an electronic signature of the designated employee of Deltastock appointed to keep the register.

The new circumstances in the complaints register shall be recorded in such a way that the information contained in the previous entries is not affected and the deletion of an entered circumstance and the correction of the errors shall be carried out in a manner which does not lead to the destruction or damage of the information.

The correctness of the entries in the complaints register is checked by the head of the Compliance Department.

19. The complaints register is a secure electronic register and is kept in a form approved by order of the Senior Management of Deltastock.
20. In the complaints register are entered:
 - a) the date of receipt and the unique number of the complaint issued by Deltastock;
 - b) the unique number of the complainant;
 - c) the corresponding number of the primary documents stored in Deltastock's archive, as well as other additional information;
 - d) the name and signature of the person who made the entry under letters "a", "b" and "c";
 - e) the complaint handling date;
 - f) the measures taken with regard to the complaint (outgoing number of the complaint response issued by the registry of Deltastock);
 - g) the name of the person who made the entry under letters "e" and "e".
21. After being recorded in the complaints register, the relevant complaint is passed on to the head of the Compliance Department for subsequent processing.

V. COMPLAINTS HANDLING PROCEDURE

22. The head of the Compliance Department assigns the complaint for processing to an employee of the department or handles it personally.
23. The head/employee of the Compliance Department conducts a complete internal investigation in good faith of the facts, and the circumstances described in the complaint, as well as of the actions taken by Deltastock for the respective complaint, and aims to obtain and investigate all relevant evidence and related information.
24. During the internal investigation, the head/employee of the Compliance Department may request data, documents and explanations related to that particular case from the employees of Deltastock.
25. The management and employees of Deltastock are required to fully cooperate with the Compliance Department in relation to the ongoing internal investigation.

26. Deltastock may request that the complainant provides additional information and/or documents in relation to the complaint, and has the right to set a time limit within which the complainant must respond.
27. The head/employee of the Compliance Department conducts a complete internal investigation in good faith and in a timely manner while assessing and striving to avoid any real or potential conflicts of interest, and if such conflicts of interest are identified, they must be reduced.

The head/employee of the Compliance Department examines and takes into consideration the statements and actions of Deltastock's employees, as well as those of the complainant in the context of their personal commitment to the respective case.

28. In the process of handling the complaint and the preparation for a response, the head/employee of the Compliance Department complies with the legislation, active agreements between the parties and the internal regulations of Deltastock.
29. During the course of preparing the complaint response, the head/employee of Compliance Departments communicates with the complainant when necessary and provides the response in a clear and plain language.
30. Deltastock reviews and responds to complaints within a period of up to 7 (seven) business days from the complaint reception date.
31. In the cases where an extended internal investigation is necessary, or additional information and/or documents, which must be provided by the complainant, are required, or if the complexity of the factual situation requires it, the term for providing a response can be extended up to 1 (one) month from the complaint reception date, respectively from the date the additional information and/or documents were provided by the complainant. Deltastock cannot unduly delay the response to the complaint.
32. Deltastock has the right to extend the response term more than once, but the maximum response period, from the reception of the complaint to providing a response, cannot not exceed the term set out in the previous paragraph.
33. If the term must be extended, Deltastock shall notify the complainant about the reason for delay and the period during which a final response may be expected. In case the term is extended more than once, a separate notification for each extension must be sent to the complainant, respectively.
34. In the course of the correspondence with the complainant, in cases where Deltastock has responded to the complaint, but the complainant has submitted a subsequent complaint or comment, and the communication continues in this cycle one or more times, Deltastock will follow the same procedure as handling the primary complaint, whereas the terms for providing a response to the subsequent complaints start from the reception date of the respective complaint. The total duration for providing a

response is not accumulated, but starts counting from the reception date of each individual complaint.

35. Deltastock will send the response to the complaint to the postal address or email address, as specified by the complainant.
36. If the complainant has not explicitly specified the means of response, Deltastock will send the response to the correspondence address specified by the complainant at the time of the conclusion of the Agreement for Trading in CFDs with the investment intermediary. In the cases where the response is sent by email, the subject line should emphasize that the subject of the letter is a response to a complaint.
37. If the complainant is not satisfied with Deltastock's response to their complaint, they are entitled to continue to protect their interests by:
 - a) the competent authorities - the Financial Supervision Commission of the Republic of Bulgaria and the competent court in the Republic of Bulgaria;
 - b) The Sectoral Conciliation Committee for dispute settlement in the field of activities and services under Art. 5, Para. 2 and 3 of the Markets in Financial Instruments Act and of the activities and services under Art. 86, Para. 1 and 2 of the Law on the Activity of the Collective Investment Schemes and of Other Collective Investment Undertakings, including in the provision of distance financial services in these sectors (Alternative Dispute Resolution), Sofia 1000, Slaveykov Square 4A; +35929330590; website <http://www.kzp.bg>; email: adr.finmarkets@kzp.bg.

If the complainant resides and is established in the European Union, they may also make use of the services available on the European Commission's Online Electronic Dispute Resolution Platform at <https://webgate.ec.europa.eu/odr/main/index.cfm?event=main.adr.show>.

If the complainant decides to take advantage of the services of the European Commission's Online Electronic Dispute Resolution Platform, Deltastock informs the complainant that it accepts the Bulgarian Sectoral Conciliation Committee as the sole dispute resolution body to consider a dispute between the parties in the field of the activities and services under Art. 5, Para. 2 and 3 of the Markets in Financial Instruments Act and of the activities and services under Art. 86, Para. 1 and 2 of the Collective Investment Schemes and Other Undertakings for Collective Investments Act, including in the provision of remote financial services in these sectors.

VI. INTERNAL CONSEQUENT ACTIONS IN RELATION TO COMPLAINTS HANDLING

38. The Compliance Department of Deltastock carries out regular analyses of the information gathered in the course of the complaints handling process in order to

ensure that recurrent or systemic problems, as well as potential legal and operative risks, are defined and avoided. The analysis consists of:

- a) an analysis of the causes of each complaint, in order to define the primary causes which are common to the different types of complaints;
 - b) an assessment whether these primary causes may also affect other processes or products, including those for which no direct complaint have been received; and
 - c) correction of these primary causes, if appropriate.
39. The head of the Compliance Department has the right to make proposals to the Senior Management and/or the Management Board of Deltastock, in cases where the results from the analysis require a change to the internal acts of the investment intermediary and the active agreements, and also has the right to undertake other actions in compliance with the functions required to conduct internal control and/or result from them.
40. Deltastock keeps records of the whole documentation and information related to clients' complaints, the actions taken for their resolution, and the internal investigation records on a magnetic (electronic) medium and/or hard copy.

VII. PROVISION OF INFORMATION

41. Deltastock notifies the Financial Supervision Commission of the Republic of Bulgaria, within a term specified by it, about the number and summarised content of the written complaints from the investment intermediary's clients, if any, as well as the results of the handling of the complaints received.
42. Deltastock provides publicly clear, accurate and up-to-date information on the complaint handling process, which includes details on filing complaints and the process to be followed in the handling of the complaints, as well as the options for subsequent protection of client interests, including the possibility of bringing the complaint to an ADR entity (Alternative Dispute Resolution Authority). Deltastock provides the information through its contractual documents and also publishes it on its website, in order to ensure greater publicity of the complaints handling process.

VIII. FINAL PROVISIONS

43. The Rules are available in Bulgarian and English. In case of discrepancies in the texts of the provisions between the two languages, the text of the respective provision in the Bulgarian language version shall prevail. By signing the agreement, the client declares

that they agree to use the Rules in one of the two available languages and will not require translation into a language other than those specified in this provision.

- 44. Deltastock performs a periodic review of the Rules at least once a year, as well as upon any significant change. Deltastock monitors the effectiveness of the Rules, and in case of identified flaws, removes them, including by updating the Rules.
- 45. This document was adopted by the Management Board of Deltastock at a meeting held on 16 May 2018 and entered into force on the same date.





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