



Complaints Handling Rules

DELTASTOCK AD

Section I

GENERAL PROVISIONS

- Art. 1. (1)** These Rules for handling written complaints filed by clients of DELTASTOCK AD (The Rules) have been developed in order to set out a policy for complaints management and initiate effective and transparent procedures for objective and timely review of the complaints received from both professional and retail clients of DELTASTOCK AD (DELTASTOCK).
- (2) The Rules apply to investment intermediary DELTASTOCK and DELTASTOCK AD Sofia – Bucharest Branch, Romania.

Section II

COMPLAINTS HANDLING POLICY

- Art. 2. (1)** Complaints raised by disputes between the parties in the course of providing investment and ancillary services pursuant to the provisions of the Markets in Financial Instruments Act (MIFIA) and Ordinance N° 38 dated 25.07.2007 for the Requirements to the Activities of Investment Intermediaries (Ordinance N° 38), are handled as stipulated in these Rules.
- (2) Complaints filed in relation to disputes between the parties raised in relation to the application of Regulation (EU) N° 648/2012 of the European Parliament and the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories are handled in accordance with the requirements set out in this regulation.
- Art. 3.** In these Rules, “complaint” means every written statement of dissatisfaction submitted to DELTASTOCK by retail or professional clients of the investment intermediary in relation to the investment and ancillary services and activities offered by the investment intermediary, according to the provisions of the Markets in Financial Instruments Act (MIFIA) and Ordinance N° 38.
- Art. 4.** Complaints shall be treated without prejudice, and any potential or real risk that may lead to conflicts of interest must be avoided, therefore the Compliance Department of DELTASTOCK (employees of the headquarters in Sofia, as well as employees of the Bucharest Branch, Romania) is assigned to handle the complaints filed by clients of DELTASTOCK.

Art. 5. The complaints handling process of DELTASTOCK is performed as follows:

- (1) Specific procedures are followed under the conditions set out in The Rules;
- (2) DELTASTOCK strives to obtain all relevant information and evidence concerning the complaint in order to further inspect and analyse the case;
- (3) Communicates with the complainant in a clear and plain language;
- (4) Provides a response within the time limits set out in these Rules, without explicit delay;
- (5) Provides opportunity for further protection of the complainants' interest if the complainant is not satisfied with the response.

Section III

PROCEDURE FOR RECEIVING COMPLAINTS

Art. 6. Complainants can file a complaint with us in one of the following ways:

- (1) File a written complaint in person at any of the offices of DELTASTOCK (both at the Headquarters in Sofia and the Bucharest Branch, Romania);
- (2) Send a written complaint by post on hard copy to the headquarters in Sofia, Bulgaria, or to the Branch in Bucharest, Romania;
- (3) Electronically by email at compliance@deltastock.com;
- (4) Complete and submit the online complaint form on DELTASTOCK's website from the following link:
<http://www.deltastock.com/english/home/feedback.asp?t=6>

Art. 7. (1) In cases when the complainants file written complaints in person at the office of DELTASTOCK, they have the opportunity to communicate the problem with employees of the investment intermediary and further discuss the issue.

- (2) By using this means of communication to file a complaint, the complainant presents their complaint in written form and hands it personally to the employee with whom the discussion took place;
- (3) Complaints can be written in free form or by form approved by order of the Senior Management;

- (4) Complaints written in free form must include instructions on how and where the complainant wants to receive the response to the complaint.
- (5) DELTASTOCK's employee recipient of the complaint must pass on the complaint to an authorised employee to be recorded in the complaints register for further processing.

Art. 8. (1) Written complaints sent in hard copy by post to any of the offices of DELTASTOCK AD must be addressed to the attention of the Compliance Department;

- (2) In cases where the letter of complaint has not been addressed to the attention of the Compliance Department and has been received as part of the general flow of incoming correspondence, the employee responsible for registering the correspondence passes on the complaint to an authorised employee to be recorded in the complaints register for further processing.
- (3) The complaints can be written in free form, or by form approved by order of the Senior Management;
- (4) Complaints written in free form must include instructions on how and where the complainant wants to receive the response to the complaint.
- (5) The employee of Compliance Department who has received the complaint must pass on the complaint to an authorised employee to be recorded in the complaints register for further processing.

Art. 9. (1) Complaints submitted by electronic means must be sent to the electronic mail address of the Compliance Department at: compliance@deltastock.com;

- (2) If the complainant has not sent the letter of complaint explicitly to the Compliance Department at the specified electronic mail address, but instead has used the official address of DELTASTOCK, or an address of a given employee or department of the investment intermediary, then the employee recipient of the letter must pass on the complaint to an authorised employee to be recorded in the complaints register for further processing.
- (3) The complaints can be written in free form, or by form approved by order of the Senior Management;

- (4) Complaints written in free form must include instructions on how and where the complainant wants to receive the response to their complaint; otherwise DELTASTOCK will send the response to the electronic mail address from which the complaints has been sent.
- (5) An employee of the Compliance Department of DELTASTOCK must forward the complaint to an authorised employee of DELTASTOCK to be recorded in the complaints register for further processing;

Art. 10. (1) The relevant form for online complaints must be used to file a complaint through the website of DELTASTOCK.

- (2) The electronic mail specified in the online form will be used to provide the response to complaints submitted through the website of DELTASTOCK;
- (3) An authorised employee of DELTASTOCK records the complaint in the complaints register and forwards it for subsequent proceedings.

Section IV

COMPLAINTS RECORDING PROCEDURE

Art. 11. (1) The complaints are recorded in a complaints register approved by order of the Senior Management, whereas each complaint must be registered in chronological order.

- (2) In the course of the correspondence with the complainant, if DELTASTOCK responds to a complaint but the complainant responds with a subsequent complaint or a comment to the response, and if the communication continues in this cycle one or several times, DELTASTOCK will follow the same procedure as handling the primary complaint, but the subsequent complaints will be recorded under the unique number of the primary complaint, as both are considered logically and procedurally connected.
- (3) The complaint register is kept by an authorised employee of DELTASTOCK, appointed by order of the Senior Management.
- (4) Records in the complaints register are logged electronically with the electronic signature of the authorised employee of DELTASTOCK appointed to keep the complaints register.

- (5) New circumstances in the complaints register must be recorded without overwriting or damaging the information on previous records. Erasure of logged circumstances and rectification of errors are made without destroying or damaging the information.
- (6) All records made in the complaints register are verified by the head of the Compliance Department, who ascertains that the records made in the complaints register are logged correctly.

Art. 12. (1) The complaints register is kept by form approved by order of the Senior Management;

(2) The complaints register is a secured electronic register.

(3) DELTASTCOK keeps two complaints registers, as follows:

1. a complaints register for complaints filed at the headquarters of the investment intermediary in Sofia, Bulgaria.
2. a complaints register for complaints filed in accordance with Art.5, Items 1 & 2 at the Branch of the investment intermediary in Bucharest, Romania.

(4) All complaints lodged in accordance with Art.5, Items 3 & 4 shall be considered as lodged at the headquarters of DELTASTOCK, thus entered in the register in accordance with Art.12, Para. 3, Item 1 of The Rules.

Art. 13. The complaints register must include the following requisites:

1. date of receipt and unique number of the complaint, issued by DELTASTOCK;
2. unique number of the complainant;
3. the respective number of the recorded primary documents in the archives of DELTASTOCK, including relevant complementary information, if available.
4. name and signature of the person who has performed the entry in accordance with Items 1-3.
5. complaint review date
6. the measures taken with regard to the complaint and the outgoing number of the response issued by the registry of DELTASTOCK.
7. name of the person who has performed the entry in accordance with Items 5 & 6.

Art. 14. After being recorded in the complaints register, complaints must be passed on to the head of Compliance Department to continue the complaint handling process.

Section V

COMPLAINTS REVIEW PROCEDURE

Art. 15. (1) The head of the Compliance Department assigns the complaint to an employee of the department or handles it personally.

(2) The head/employee of the Compliance Department conducts a complete internal investigation in good faith of the facts and 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.

(3) While the internal investigation is ongoing, the head/employee of the Compliance Department has the right to require additional information, documents and explanations related to that particular case from the employees of DELTASTOCK.

(4) The employees of DELTASTOCK are required to fully cooperate with the Compliance Department in relation to the ongoing internal investigation.

Art. 16. 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.

Art. 17. (1) 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. Such conflicts of interest must be reduced if identified. The head/employee of the Compliance Department takes into consideration the statements and actions of DELTASTOCK's employees and those of the complainant in the context of their personal commitment to the respective case.

(2) 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 contracts between the parties and the internal regulations of DELTASTOCK

- (3) 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.

Art. 18. (1) DELTASTOCK reviews and responds to complaints in a period of up to 7 (seven) business days from the complaint reception date.

- (2) The term for providing a response to the complainant can be extended up to 1 (one) month counting from the complaint reception date, in exceptional circumstances when the internal investigation must be extended, and/or the actual basis of the complaint is particularly complex, and/or additional information and/or documents are required from the complainant.
- (3) 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.
- (4) If the term must be extended, DELTASTOCK has the obligation to 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.
- (5) 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 starts from the reception date of the respective complaint. The total duration for providing a response to the complaints is not accumulated, but starts counting from the reception date of each individual complaint.

Art. 19. (1) DELTASTCOK will send a response to the complaint to the postal address or electronic mail address, as specified by the complainant.

- (2) 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 Customer Trading Agreement with the investment intermediary. In cases where the response is sent by electronic mail, DELTASTOCK will send the response letter while in the subject line should emphasize that the subject of the letter is a response to a complaint.

Art. 20. The complainant can file an appeal and refer the complaint to the Financial Supervision Commission of the Republic of Bulgaria, or to the competent court in the Republic of Bulgaria if the final response of DELTASTOCK is not satisfactory for the complainant.

Section VI

INTERNAL CONSEQUENT ACTIONS IN RELATION TO COMPLAINTS HANDLING

Art. 21. (1) The Compliance Department of Deltastock carries out regular analyses of the information gathered in the course of the complaints handling process in order to assure that recurrent or systematic problems, as well as potential legal and operative risks, are defined and avoided.

(2) The analysis under the previous item is carried out in the following way:

- 1.** analyses the causes of each complaint in order to define the primary causes which are common for the different types of complaints;
- 2.** an assessment of the primary causes is essential for identifying causes that can affect other processes or products, including those for which a complaint has never been lodged;
- 3.** correction of these primary causes, if appropriate.

(3) The head of 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 an amendment to the active contracts and internal normative acts, and also has the right to undertake other actions in compliance with the functions required to conduct internal control and/or are relevant.

Art. 22. DELTASTOCK keeps records of the whole documentation and information related to clients' complaints and internal investigation records, on a magnetic (electronic) medium and/or hard copy.

Section VII

PROVISION OF INFORMATION

- Art. 23. (1)** By the 15th (fifteenth) day of the month following each quarter, DELTASTOCK reports to the Financial Supervision Commission of the Republic of Bulgaria the number of written complaints received during the past quarter, filed by clients' of DELTASTOCK, whereas the reporting must include a summarised description of the complaint and its response.
- (2)** By 31 July, DELTASTOCK AD Sofia – Bucharest Branch reports the number of written complaints lodged during the past six months (01 January – 30 July) to Autoritatea de Supraveghere Financiara of Romania (ASF, previously holding the name “Comisia Nationala A Valorilor Mobiliare Din Romania”), whereas the reporting must include a summarised description of the complaint and its resolution. By 31 January, DELTASTOCK AD Sofia – Bucharest Branch must report to ASF Romania the number written complaints, if available, lodged in the past six months (01 July – 31 December), whereas the reporting must include a summarised description of the complaint and its resolution.
- Art. 24. (1)** DELTASTOCK provides publicly accurate and clear information about the complaints handling process, which includes details in relation to the methods for filing a complaint and the process that will be followed when handling them.
- (2)** DELTASTOCK provides information referred to in the previous paragraph through its contractual documents and through its website.
- (3)** In order to ensure more public visibility of the complaints handling process, DELTASTOCK publishes the information on its website.

Section VIII

FINAL PROVISIONS

- Art. 25.** These Rules are an autonomous document which is adopted by the Management Board of DELTASTOCK while at the same time being a part of the rules for internal organisation of the investment intermediary according to Art.24, para. 2 of MIFIA.
- Art. 26.** The Rules were adopted by the Management Board of DELTASTOCK on 28.09.2017 and become effective on the same date.

