



**GENERAL TERMS OF BUSINESS
APPLICABLE TO THE
AGREEMENTS FOR TRADING IN FIXED
INCOME SECURITIES
OF DELTASTOCK**

A) Introduction

Deltastock is a fully licensed investment intermediary entitled to conduct business in the Republic of Bulgaria and abroad, regulated by the Bulgarian Financial Supervision Commission.

By signing an agreement with Deltastock, the Client confirms that they understand these General Terms of Business and agree to be legally bound by them. The client shall not sign an agreement with us unless they have familiarised themselves with these General Terms of Business and fully understand them.

These General Terms of Business and the Agreement for Trading in Fixed Income Securities are applicable solely to professional clients of the investment intermediary, as well as to the eligible counterparties who have expressed their wish that they do not receive concessions under Art. 89, Para. 1 of the MiFIA (respectively under Art. 30, Para. 1 of MiFID II) as a whole, or if they have expressly stated their wish to not receive concessions under Art. 82 of MiFIA.

Deltastock provides the opportunity to trade in fixed income securities without the signing of a contract if the Client is an eligible counterparty which has expressed its wish to not receive the concessions under Art. 89, Para. 1 of the MiFIA (respectively under Art. 30, Para. 1 of MiFID II) as a whole, or if they have expressly stated their wish to not receive concessions under Art. 82, as well as Art. 84, Art. 86 and/or Art. 87 of MiFIA (respectively Art. 24, Art. 27 and Art. 28 of MiFID II).

Deltastock does not provide the opportunity for trading in fixed income securities to retail clients.

Deltastock warns that:

Investing in fixed income securities carries considerable risks. The Client must carefully read the document “Information regarding the financial instruments – fixed income securities, subject to the investment services and activities and ancillary services carried out by Deltastock and the risks involved”, which is available on Deltastock’s website.

The Client must ensure they understand all the risks associated with trading in fixed income securities and they voluntarily take those risks upon entering into Trades.

Please be advised that the information, including but not limited to, about amendments to Deltastock's policies and General Terms of Business, as well as information about investment risks, is available on the company website: www.deltastock.com.

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1. DEFINITIONS

Art. 1.1. For the purposes of these General Terms of Business Applicable to the Agreements for Trading in Fixed Income Securities of Deltastock (**the General Terms**), unless the context requires otherwise, the words and phrases listed below have the following meanings:

“Agreement” shall mean each individual agreement for Services concluded between the Client and Deltastock. By signing the Agreement the Client also accepts the application of the General Terms to the legal relationships between the Client and Deltastock in the respective applicable parts and insofar as the agreements in the General Terms do not contradict the agreements in the individual Agreement.

“Tariff” shall mean the currently applicable “Tariff for Deals with Fixed Income Securities and the related investment services and activities and ancillary services of Deltastock” available at the website of Deltastock.

“Services” shall mean the investment services and activities and ancillary services related to trading in fixed income securities, provided by Deltastock to its Clients, based on the Agreement and the present General Terms.

“Transferable fixed income securities” shall mean the types of securities registered in accounts in a central depository for securities which can be traded on the capital markets, with the exception of payment instruments, such as:

- a) Company shares and other securities equivalent to shares in companies and other legal persons, as well as depository receipts for shares;
- b) Bonds and other types of securitised debt, including depository receipts for such securities;
- c) Other securities that give the right to acquisition or sale of such transferable securities or that lead to money settlement, determined based on transferable securities, currencies, interest rates or yield, commodities or other indices or indicators.

“Bonds” shall mean a type of securities that bring to their holders monetary yield under the form of a fixed or floating interest (coupon), as per the issuer prospectus.

“Fixed income securities” shall mean bonds or other transferable securitised debt, with the exception of securities equivalent to company shares or a type that, upon conversion or upon exercising of the rights on them, give the right to acquisition of shares or securities, equivalent to company shares.

“State fixed income securities” shall mean fixed income securities issued by a government issuer.

“State issuer” shall mean any of the following issuers when the issue fixed income securities:

- d) The European Council;
- e) A member state, including a state organ, agency or association with a specific purpose of the member state;
- f) In the case of a federal state – a member of the federation;

- g) An association of special purpose established by several member states;
- h) An international financial institution established by two or more member state, whose purpose is to collect funds and to provide financial aid to its members who are having or are threatened by significant financial problems, or
- i) The European Investment Bank.

“Government bonds” are fixed income securities issued by the executive power of the respective country for the covering of financial needs. They are a type of state debt.

“Corporate bonds” are fixed income securities issued by commercial companies or legal persons.

“Deltastock” shall mean the legal entity Deltastock AD, personalised according to Art. 2.1.1 of these General Terms.

“Client” shall mean any natural or legal person that has entered into an Agreement for Trading in Fixed Income Securities on an OTC market with Deltastock for the provision of Services.

“Professional Client” shall mean a client who possesses the experience, knowledge and expertise to make their own independent investment decisions and properly assess the risks associated with investments, and who fulfils the criteria in accordance with the appendix to MiFIA (Annex II to the Directive) and is categorised as such according to the Client Categorisation Rules of Deltastock.

“Retail Client” shall mean a client who is not defined as a professional client or as an eligible counterparty and is categorised as such according to the Client Categorisation Rules of Deltastock.

“Eligible Counterparty” shall mean an investment firm, credit institution, insurance company, collective investment scheme, management company, pension insurance company, a pension fund, other financial institutions authorised or regulated under the legislation of the European Union and Member States, national governments, governmental authorities that manage sovereign debt, central banks, and international institutions, as well as third-country nationals subject to the requirements equivalent to the requirements of EU legislation. Other entities may also be considered as eligible counterparts, who meet the requirements set out in Art. 71 of Delegated Regulation 2017/565, including third-country entities. Deltastock determines whether the Client is an eligible counterparty according to the Client Categorisation Rules of Deltastock and the law of the country where the Client is established.

“Authorised Person” (Representative) shall mean one or more persons authorised by the Client to enter into an Agreement, or place Orders with and give Instructions to Deltastock, on their behalf and on their own account.

“Depository Institution” shall mean a person which registers dematerialised securities and transfers such instruments through opening and keeping of accounts of their issuers and/or holders, including collective investment schemes who open and keep accounts for the holders of the shares issued by them.

“Order” shall mean any instruction expressly submitted by the Client for the execution of a Trade in fixed income securities, placed at a Deltastock office, over the telephone, or through another acceptable means, as per the Agreement and

these General Terms.

“Instruction” shall mean any other instruction given by the Client to Deltastock that is different from an Order.

“Deal” shall mean a purchase, sale or other arrangement with financial instruments and monetary means whose execution has been agreed upon between the Client and Deltastock.

“Spot Value Date” means two bank business days from the date the Trade was concluded on.

“Account Balance” shall mean the amount of money in the Client’s account with Deltastock, equal to the difference between the funds deposited and withdrawn by the Client, adjusted with the results from the execution of trades, including the positive and negative price differences, as well as with the fees and interest due under the Agreement.

“Working Hours” shall mean the working hours of Deltastock as published on the Website. During the Working Hours the Client may and has the right to submit (by all means allowed in the present General Terms) Orders for execution of deals with financial instruments. The timeframe for submitting the Orders needs to be coordinated with the trading hours of the respective financial instrument. Deltastock has the right to change the Working Hours at own discretion and without prior notification. The change will be published on the Website.

“OTC Market” shall mean an over-the-counter market as a venue for execution of buy and sell orders for financial instruments.

“Multilateral Facility” shall mean a system or mechanism in which the multiple interests of third parties for buying and selling of financial instruments can meet.

“Multilateral Trading Facility (MTF)” is a multilateral system organised by an investment intermediary or a market operator which unites the multiple interests of third parties for buying and selling of financial instruments. This happens within the framework of the system itself and in compliance with its rules and in a way that leads to the conclusion of a contract in compliance with chapters second – ninth of MiFIA.

“BMTF” is a multilateral trading facility organised and operated by Bloomberg Trading Facility Limited.

“E-Bond Bulgaria” is a multilateral trading facility for Bulgarian government bonds organised and operated by Bloomberg Trading Facility Limited.

“Website” shall mean the Internet site of Deltastock: www.deltastock.com.

“ESMA” shall mean the European Securities and Markets Authority. ESMA’s website is <http://www.esma.europa.eu>.

“FSC” shall mean the Bulgarian Financial Supervision Commission (FSC). The website is www.fsc.bg.

“LEI” (Legal Entity Identifier) for the purposes of MiFIR, shall mean a unique identification code by which the parties to derivatives transactions and Central

Counterparties should report to a Trade Repository data about each derivative contract they have concluded. A LEI is issued pursuant to the requirements of the ISO 17422 standard. This standard makes it possible to prepare codes containing 20 alphanumeric characters to which additional public data is attached (name, address, legal entity status, etc.), and also private data (legal form, parent company, i.e. an entity that is responsible in case of default, etc.). A LEI is issued by the organisations or the local operating units (Pre-Local Operating Unit - pre-LOU), belonging to the LEI/GEI system, which have been approved by ESMA to issue LEI, and their list can be found on the LEIROC (Legal Entity Identifier Regulatory Oversight Committee) website: <http://www.leiroc.org>.

“Automatic Exchange of Financial Information in the Field of Taxation” shall mean the systematic provision of the information specified in Art. 142b, Para. 1 of TSSPC to a Participating Jurisdiction, regarding persons who are residents for tax purposes in that Participating Jurisdiction, without prior request, at pre-established intervals.

“Participating Jurisdiction” shall mean: **a)** any other European Union member state; **b)** any other jurisdiction with which the Republic of Bulgaria has an agreement in place, pursuant to which the jurisdiction will provide the information specified in Art. 142b of TSSPC, and which has been set out in a list published by the Republic of Bulgaria and submitted to the European Commission; **c)** any other jurisdiction with which the European Union has an agreement in place, pursuant to which that jurisdiction will provide the information specified in Art. 142b of TSSPC, and which has been set out in a list published by the European Commission; **d)** the United States of America.

“MiFIA” shall mean the Markets in Financial Instruments Act.

“Ordinance No 38” shall mean Ordinance No 38, dated 25.07.2007 on the Requirements to the Activities of Investment Intermediaries, adopted by the Financial Supervision Commission.

“POSA” shall mean the Public Offering of Securities Act.

“CIA” shall mean the Credit Institutions Act.

“MAMLA” shall mean the Measures against Money Laundering Act.

“MTFA” shall mean the Measures against Financing of Terrorism Act.

“EDSA” shall mean the Electronic Document and Signature Act

“TSSPC” shall mean the Tax and Social Security Procedure Code.

„The Directive” shall mean 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 Directive 2011/61/EU. (MiFID II).

“MiFIR” shall mean Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012.

“Delegated Regulation 2017/565” shall mean Commission Delegated Regulation (EU) 2017/565 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 firms and defined terms for the purposes

of that Directive.

“FATCA” (Foreign Account Tax Compliance Act) shall mean the United States Act on tax law compliance regarding foreign accounts. More information can be found on this website: <http://www.irs.gov/Businesses/Corporations/Foreign-Account-Tax-Compliance-Act-FATCA>. Obligations under FATCA are applicable in Bulgaria in the form and volume under the Agreement between the Government of the United States of America and the Government of the Republic of Bulgaria to Improve International Tax Compliance and to Implement FATCA, signed on 05 December 2014. The Agreement has been ratified by law, which has been published in Issue 47 of the Bulgarian State Gazette, 26 June 2015.

“Applicable Law” shall mean Bulgarian law and/or such other law agreed as applicable herein or in the Agreement, as well as the Regulations of the European Union on matters that are the subject of these General Terms and/or the Agreement.

“Market Rules” shall mean the rules, regulations, customs, and practices of the trading and execution venues on which the financial instruments listed in these General Terms are traded.

Art. 1.2. Any terms of legal significance used in these General Terms, which are not determined in **Art. 1.1** above or in the Agreement with the Client, shall have the meaning ascribed to them in the Applicable Law, account taken of context.

Art. 1.3. Any reference to a directive, regulation, law, ordinance, or other legislative act shall include any subsequent amendments thereof, as well as any other legislative acts regulating the same matter that may be adopted to replace it.

2. GENERAL INFORMATION ABOUT DELTASTOCK

Art. 2.1. Deltastock is a joint-stock company incorporated under the laws of the Republic of Bulgaria, registered with the Commercial Register of the Registry Agency, Unified Identification Code 128042807. The company’s registered and business address is at: Megapark Office Building, 6th Floor, Office Area E, 115 G Tsarigradsko Shose Blvd., Sofia 1784, Bulgaria; website: www.deltastock.com; email: office@deltastock.com.

Art. 2.2. Deltastock holds license No RG-03-0146, issued by the Financial Supervision Commission for the provision of services as an investment intermediary on the territory of the Republic of Bulgaria and abroad.

Deltastock is entitled to carry out its activities under the freedom to provide services regime in all European Union member states.

Up-to-date information on the countries in which Deltastock carries out activities is available at any time on the Website.

Art. 2.3. According to the subject of these General Terms, Deltastock offers to its Clients only:

a) the following investment services and activities within the meaning of Art. 6, para. 2 of MiFIA:

- Execution of orders with financial instruments – fixed income securities – on behalf of clients;
- Execution of orders with financial instruments – fixed income securities – on own account;
- b) the following ancillary services within the meaning of Art. 6, para. 3 of MiFIA:
 - Safekeeping and administration of financial instruments on account of the client, including custodial activities and related services like management of monetary assets and collaterals, with the exception of centralised keeping of securities accounts in accordance with section A, item 2 of EU Regulation No. 909/2014 and
 - Provision of foreign exchange services, insofar as they are connected with the investment services provided.
- Art. 2.4.** Subject of the services under **Art. 2.3** are Bulgarian and foreign fixed income securities which are financial instruments within the meaning of Art. 4, para. 1 of MiFIA and Annex 1, section C, item. 1 of the Directive, namely transferable securities.
- Art. 2.5.** Deltastock's conduct of business, in its capacity of investment intermediary, is supervised by the Bulgarian Financial Supervision Commission (FSC), whose registered address is at 16 Budapeshta Str., Sofia, Bulgaria, www.fsc.bg.

3. GENERAL RISK WARNING

- Art. 3.1.** The Client has been notified, understands and accepts that trading in fixed income securities is associated with risks that may lead to financial losses for the Client.
- Art. 3.2.** Detailed descriptions of the risks involved can be found in the following documents: "Information regarding the financial instruments – fixed income securities – subject to the investment services carried out by Deltastock and the risks involved". The document is available on the Website and the Client should familiarise themselves with it beforehand.
The listing of risks in the said document has informative and inconclusive nature.
- Art. 3.3.** The Client uses the Services provided by Deltastock on their own account and risk.
- Art. 3.4.** Deltastock executes a part of the Orders for trading in fixed income securities outside the trading venue, namely on an OTC market, which brings the following risks for the clients:
 - a) Deltastock is an execution venue and counterparty to each deal, therefore the trading opportunities for the Client are limited to Deltastock's own liquidity.
 - b) The prices for trading on the secondary market are determined (quoted) by Deltastock and not by the counter interest of another Client.
 - c) There is a potential conflict of interest as Deltastock profits from the trading volumes realised by the Client, with possible cases where he investment intermediary realises profit in situations where the Client loses funds.

- d) The trading rules applicable to the OTC market are different to the trading rules applicable to the trading venue.
- Art. 3.5.** Deltastock would like to warn that any specific Client Instructions may hinder the investment intermediary from taking the measures provided and applied in the Policies for order execution on a secondary and/or primary market, achieving the best results of executing those orders with regard to the elements covered by those Instructions.

4. INVESTOR COMPENSATION SCHEME

- Art. 4.1.** The Investor Compensation Fund (the Fund) is a legal entity, established in the Republic of Bulgaria, whose registered address is at 31 Tsar Shishman Str., Sofia, Bulgaria (www.sfund-bg.com/en).
- Art. 4.2.** The Fund guarantees payment of compensation to the Clients of authorised investment intermediaries, such as Deltastock, under the conditions and procedure set out in the POSA. Compensation is arranged with the money raised by the Fund, and is paid out in the cases where the company is unable to meet its liabilities towards Clients due to reasons directly linked to its financial condition.
- Art. 4.3.** The structure and activities of the Fund are regulated by the Rules for the Structure and Activities of the Investor Compensation Fund, available on the Fund's website - www.sfund-bg.com/en.
- Art. 4.4.** Additional information on the Fund can be found in the document "Information regarding investment intermediary Deltastock and its services as intended for clients and potential clients", which is available on the Website.
- Art. 4.5.** The professional clients and the eligible counterparties fall within the scope of Art. 77g, para. 2 of POSA, hence the Fund does not pay out compensations to those categories.
- Art. 4.6.** Upon a Client's request, Deltastock will provide them with detailed information on the conditions and procedure for investor compensation under POSA.

5. CLIENT CATEGORISATION

- Art. 5.1.** Deltastock performs categorisation of its Clients in three categories: eligible counterparties, professional and retail Clients.
- Art. 5.2.** Client categorisation is performed upon the submission of the account opening application and prior to concluding the Agreement, on the basis of the information gathered and the criteria set out in the Client Categorisation Rules of Deltastock, which are available on the Website.
- Art. 5.3.** Clients are under the obligation to provide true, accurate and complete information for the purposes of their categorisation, as well as to inform Deltastock of any changes to the information already provided by them.
- Art. 5.4.** Deltastock informs the Client on a durable medium about the result of the General Terms of Business Applicable to the Agreements for Trading in Fixed Income Securities of Deltastock

initially performed categorisation as well as about their right to request a change in the category, and that this will lead to a change in the level of protection they have been provided under the statutory and contractual provisions, and in particular its limitation upon a change from a category with a higher level of protection to a category with a lower level of protection.

- Art. 5.5.** The change of the initially determined category is done upon a Client's request, and Deltastock is under no obligation to fulfil that request. A change to categorisation may also be initiated by Deltastock.
- Art. 5.6.** Each Client, regardless of their category, is entitled to request a different categorisation. This right is not limited to any of the stages of the contractual relationship between the Client and Deltastock.
- Art. 5.7.** The categorisation procedure provided for each category, as well as the right and the procedure for change of category are regulated by the Client Categorisation Rules of Deltastock, which is available to Clients on the Website and which Clients declare that they have read and accept.
- Art. 5.8.** By signing the Agreement, the Client declares that they are familiar with the client categorisation rules of Deltastock and accepts them.
- Art. 5.9.** The legally defined level of protection is different for different client categories:
- a) The level of protection is highest for retail clients. With regard to them, besides the general provisions concerning all clients, there also apply specific provisions explicitly provided for in MiFIA (such as Art. 73, Para. 2, Art. 74, Para. 2, Art. 78, Para. 5, Art. 78, Para. 7, Art. 82, Para. 3, Art. 84, Para. 2, Art. 95, Para. 1, etc.), in Delegated Regulation 2017/565 (Art. 44, Para. 4, letter "e", Art. 48, Para. 3, Art. 54, Para. 2, Art. 57, letter "f", Art. 62, Para. 2, Art. 65, Para. 4, Art. 66, Para. 9, Art. 67, Para. 1, letter "c", etc.) and also in other national or Community legislation.
 - b) The level of protection is average for professional Clients. With regard to them, the general provisions concerning all clients apply, with virtually no specific provisions concerning only them. The biggest limitation of the level of protection for professional clients is that, according to Art. 77d, Para. 2 of the Public Offering of Securities Act (POSA), the Investor Compensation Fund shall not pay compensation to them.
 - c) The level of protection is lowest for the eligible counterparties. The provision of Art. 89, Para. 1 of MiFIA explicitly provides that an investment intermediary that performs investment services under Art. 6, Para. 2, item 1, 2 and 3 of MiFIA, such as Deltastock, may execute or conclude Trades with an eligible counterparty without complying with the requirements under Art. 70, Art. 71, Para. 1, Art. 72, 73, 74, 77, 78, 82, 84, 85, 86, and 87 of MiFIA with regard to the specific orders or the related ancillary service directly related to these orders. Apart from this, when the eligible counterparty falls within the scope of Art. 77d, Para. 2 of the POSA, the Investor Compensation Fund shall not pay compensation to it.
- Art. 5.10.** The eligible counterparty may express their wish that to it:
- a) Be applicable the concessions under Art. 89, para. 1 of MiFIA (respectively under Art. 30, para. 1 of MiFID II) in full;

- b) Be applicable part of the concessions, as follows: the concessions under Art. 70, Art. 84, Art. 84, Art. 86 and/or Art. 87 of MiFIA (respectively under Art. 24, Art. 27, Art. And Art. 28 of MiFID);
 - c) Not be applicable the concessions under Art. 89, para. 1 of MiFIA (respectively under Art. 30, para. 1 of MiFID II) entirely;
 - d) Not be applicable a part of the concessions, as follows: the concessions under Art. 70, Art. 84, Art. 84, Art. 86 and/or Art. 87 of MiFIA (respectively under Art. 24, Art. 27, Art. And Art. 28 of MiFID);
- Art. 5.11.** Deltastock provides the opportunity to trade in fixed income securities on a primary and secondary market only to professional clients and eligible counterparties.

6. AGREEMENT BETWEEN CLIENTS AND DELTASTOCK

Art. 6.1. Deltastock provides Services to Clients on the basis of a written Agreement and under these General Terms to:

- a) A professional client
- b) Eligible counterparty which has expressed their wish that to them are not applicable the concessions under Art. 89, para. 1 of MiFIA (respectively under Art. 30, para. 1 of MiFID II) in full or if they have expressed their wish that to them are not applicable the concessions under Art. 82, of MiFIA.

Art. 6.2. Deltastock provides Services without a written Agreement and without the binding effect of these General Terms if the Client is an Eligible Counterparty which has expressed their wish that to them are applicable the concessions under Art. 89, para. 1 of MiFIA (respectively under Art. 30, para. 1 of MiFID II) in full or if they have expressed their explicit wish that to them are applicable the concessions Art. 70, Art. 84, Art. 84, Art. 86 and/or Art. 87 of MiFIA (respectively under Art. 24, Art. 27, Art. And Art. 28 of MiFID);

Art. 6.3 The Client under **Art. 6.1** hereby agrees that prior to entering into an Agreement with Deltastock, they cannot enter into Trades and use the Services provided by the investment intermediary. This limitation does not apply to Clients under **Art. 6.2**.

Art. 6.4. Prior to entering into an Agreement with the Client, Deltastock provides them with the opportunity to familiarise themselves with the available and freely accessible documents on the Website as follows:

- a) the General Terms of Business Applicable to the Agreements for Trading in Fixed Income Securities of Deltastock;
- b) Sample Agreement for trading in fixed income securities;
- c) the Tariff of Deals with Fixed Income Securities and the Related Investment Services and Ancillary Services of Deltastock;
- d) the Information regarding the investment intermediary Deltastock and its services related to trading in fixed income securities as intended for clients and potential clients;

- e) the Information regarding safeguarding of the financial instruments and funds of Deltastock's clients trading in fixed income securities;
- f) the Information regarding the costs and charges incurred by clients of Deltastock trading in fixed income securities;
- g) the Information regarding the financial instruments – fixed income securities subject to the investment services carried out by Deltastock and the risks involved
- h) the Policy for Execution of Client Orders Applicable to the Agreements for Trading in Fixed Income Securities on a secondary market of Deltastock;
- i) the Policy for Acceptance and Execution of Client Orders Applicable to the Agreements for Trading in Fixed Income Securities on a Primary Market of Deltastock;
- j) the Conflicts of Interest Policy In Regard To Deals With Fixed Income Securities And Related Investment Services and Activities and Ancillary Services of Deltastock;
- k) the Client Categorisation Rules of Deltastock;
- l) the Client Complaints Management Rules of Deltastock.

Art. 6.5. Deltastock and the Client may agree upon individual clauses deviating from the present General Terms as long as they do not contradict the imperative provisions of the Applicable Law. In such cases the individual clauses in the Agreement shall take precedence over the contradictory clauses in the General Terms.

Art. 6.6. These General Terms are an integral part of the Agreement between Deltastock and the Client and as such are binding for the parties.

Art. 6.7. The Client may conclude the Agreement in person, through a legal representative or authorised person.

Art. 6.8. The Agreement between Deltastock and the Client may be concluded under the provisions of Articles 24, 25, 26, 26a, 26b and/or 26 c of Ordinance No. 38.

Art. 6.9. The Agreement between Deltastock and the Client is concluded only after a verification of the identity of the Client, their representative or the authorised person, as well as the representative capacity of the latter two and verification of the documents required under Articles 26a, 26b and/or 26c of Ordinance No. 38, if applicable.

The Client, regardless of the chosen method of concluding the Agreement, provides Deltastock with a copy of their identification document with the inscription "true copy", date and signature – for individuals. For legal persons are also required a copy of the company registration documents containing information about incorporation and representation.

Art. 6.10. Deltastock has the right to require additional documents from the Client in order to confirm their identity, establish their residence or cover other requirements of the Applicable Law, as well as those of MiFIA, MAMLA, etc.

Art. 6.11. Entering into an Agreement for the provision of Services through a Representative is only possible if a power of attorney certified by a notary public is submitted. The power of attorney must contain the Representative

power for performing managerial or disposal actions with financial instruments and a declaration by the authorised person that they do not carry out occupation transactions (Trades) with financial instruments, as well as that they did not execute such transactions(Trades) for a one-year period prior to entering into the Agreement, and also if the internal procedures of Deltastock, and the requirements of the Applicable Law are duly complied with.

- Art. 6.12.** Deltastock shall retain for its archive a copy of the declaration and the original copy of the power of attorney under [Art. 6.11](#) above. If the power of attorney has multiple uses, Deltastock shall retain a copy certified by the representative, an employee of the Compliance department.
- Art. 6.13.** Deltastock shall not conclude an Agreement and shall not provide Services if the Client or their representative has not presented or has not duly certified all required documents required under the present General Terms, the Agreement and in accordance with the Applicable Law, as well as the additional documents required by Deltastock.
- Art. 6.14.** Deltastock shall not conclude an Agreement if the presented documents are with apparent flaws or the information in them is incomplete, incorrect, contradictory or in the case of another circumstance arousing suspicions of improper identification or representation or of violations of the Applicable Law, the measures against money laundering and financing of terrorism.
- Art. 6.15.** Deltastock shall not conclude an Agreement with the Client if their representative declares carrying out deals with financial instruments as occupation. This limitation is not applicable when the agreement is concluded by an asset management company, a credit institution, an investment intermediary or another person who is authorised to carry out activities with financial instruments.
- Art. 6.16.** If Deltastock and/or the competent authorities establish or Deltastock suspects that the Client is violating MAMLA, MTFA and their application, Deltastock has the rights under [Art. 15.2](#), including the right to refuse and stop providing services and/or to terminate the Agreement with the Client.
- Art. 6.17.** Deltastock reserves the right, at its own discretion and without stating reason, to refuse to accept a certain person as Client, outside the previous provisions.
- Art. 6.18.** Deltastock, without stating reason, will refuse to conclude an Agreement with a legal person, if prior to entering into the agreement, they do not provide LEI.
- Art. 6.19.** Deltastock, without stating reason, my refuse to conclude an Agreement with an individual or a legal person, if prior to entering into the agreement they fail provide a completed declaration under Art. 142t of TSSPC and/or do not provide the necessary information and/or documents, thus preventing the conduct of Due Diligence under TSSPC.
- Art. 6.20.** Deltastock, without stating reason, may refuse to conclude an Agreement with a legal person, if, prior to entering into the agreement they fail to provide a completed declaration for true ownership under Art. 59, para. 1, item 3 of MAMLA and/or does not provide the necessary information and/or documents, thus hindering the investment intermediary from performing their duties under MAMLA.

7. INFORMATION PROVIDED TO CLIENTS

Art. 7.1. Within reasonable period prior to providing a Service to a Client Deltastock provides the Client information under Art. 46, which meets the conditions under Art. 44 of Delegated Regulation 2017/565.

Art. 7.2. The Client has free access to the documents under Art. 6.4 which are published on the Website.

Art. 7.3. Information provided under Art. 7 related to the Services provided by Deltastock, except the information provided under Art. 9.

Art. 7.4. Unless otherwise stipulated in the Agreement, Deltastock provides information to the Client, including, but not limited to, information on fees, interest and commissions, Margin requirements and trading hours. Such information is provided through the Website, the Electronic Trading Platform, at the email address provided by the Client, or sent by any other means of distance communication, provided that the following conditions are met:

- a) the provision of information by such means is considered appropriate with respect to the existing and future relationship with the Client;
- b) the Client has not specifically requested to be provided with information on paper.

Art. 7.5. By signing the Agreement, the Client declares their explicit consent that Deltastock may provide information to them through its Website - www.deltastock.com.

When provided by such means and not directly addressed to the Client, the information shall meet the following requirements:

- a) the provision of information by such means is considered appropriate with respect to the existing and future relationship with the Client;
- b) the Client has been notified by electronic means of the Website address and the exact webpage on which such information is available;
- c) the information is up-to-date;
- d) the information is accessible on the Website at any time, within a reasonable period, for Clients to familiarise themselves with.

Art. 7.6. The provision of information by electronic means is deemed appropriate, with respect to the existing and future relationships with the Client, in the cases where the Client specifies an email address in the Agreement with Deltastock.

Art. 7.7. When the Applicable Law requires the provision of a written document, such a requirement shall be deemed to be fulfilled in the cases when the document is sent by fax, provided that the function and recording mode of the used facsimile device is safe from defective reproduction of the statement.

Art. 7.8. The provision of a written document required by the Applicable Law is be deemed to be fulfilled also when the document is recorded by the use of other technical means, which include a scanned document, CD or DVD recordings, or any other durable medium, provided reproduction of the document from such medium is possible.

Art. 7.9. Deltastock provides the Client with comprehensible, clear and correct

information, which is not misleading and will be compliant with the statutory requirements.

Art. 7.10. Deltastock promptly notifies the Client via a publication on its Website about any material and substantial change in the documents provided to Clients in accordance with Art. 7 of these General Terms, as well as any material and substantial change in the circumstances under Art. 9, 10 and 32 of Ordinance No 38, which are related to the Services provided. The notification is done also on a durable medium if the information it relates to was initially submitted to the Client on a durable medium.

8. COMMUNICATION BETWEEN THE PARTIES

Art. 8.1. Any correspondence and communication between Clients and Deltastock, including the provision of information by the latter, is conducted in Bulgarian or English.

Art. 8.2. The Agreements between Clients and Deltastock may be concluded only in Bulgarian or English language.

In cases of discrepancies or disputes regarding the interpretation and enactment of the Agreement, the applicable General Terms and the related internal acts of Deltastock, the respective Bulgarian language version of the document is definitive and shall prevail.

Art. 8.3. Communication between Deltastock and Clients is carried out in one of the following ways:

- a) by visit at the office of Deltastock;
- b) by exchange of documents signed with an electronic signature;
- c) by telephone;
- d) by email;
- e) through the Website;
- f) through BMTF.

9. PRICES (QUOTES) OF FIXED INCOME SECURITIES

Art. 9.1. For each Deal the Client receives from Deltastock a quote via telephone or through BMTF in accordance with the general requirements for communication between the Client and Deltastock.

Art. 9.2. Deltastock independently generates the prices (quotes) at which trading in fixed income securities is done on a secondary market between the intermediary and the client, through BMTF or on an OTC market. Deltastock determines the prices (quotes) independently, based on the market price of the respective fixed income security.

Art. 9.3. The method of quoting used by Deltastock to trade fixed income securities on a secondary market is the following:

- a) When a Client shows interest, Deltastock provides a quote for the respective instrument. It is based on the normal dominant market conditions at the moment;
 - b) The Client accepts and agrees with the offered quote;
 - c) The Order is executed (through BMTF or on an OTC market) at a price on which Deltastock and the Client have agreed.
- Art. 9.4.** The Order is not executed before Deltastock and the Client agree on the price (quote). If no agreement on the price is reached, the Order is considered cancelled.
- Art. 9.5.** Since the Orders are executed at prices agreed between Deltastock and the Client beforehand, it is considered that the Client received the best possible result of the execution of their Orders.
- Art. 9.6.** Deltastock does not generate independently and does not provide the prices (quotes) for trading in fixed income securities on a primary market. The price (quote) of fixed income securities on a primary market is set in accordance with the rules of the respective auction. After initially obtaining the respective fixed income securities through participation in the auction, Deltastock provides them to the Client through a deal on the OTC market. Deltastock acts as a principal (counterparty) in this deal, in accordance with the approved conditions and at the set prices of the initial offering, adding the respective service fees provided in the Tariff or expressly agreed upon by the Parties.
- Art. 9.7.** Since the price (quote) has been set at an auction with a markup (a fee provided in the Tariff or expressly agreed upon by the Parties) of which the Client has been informed in advance, it is considered that the Client received the best possible result of executing their Order.
- Art. 9.8.** Deltastock explicitly warns that it may not give quotes on a given fixed income security, respectively not to carry out deals with it, if it experiences temporary difficulties in finding liquidity for this fixed income security or if there are circumstances in which no deals with this fixed income security may be concluded on the market and/or the present market conditions do not allow for the setting of a fair quote for both Parties.

10. SUBMISSION AND EXECUTION OF ORDERS

Art. 10.1. Submission of orders

- Art. 10.1.1.** The Client may submit to Deltastock only the following type of Order: “market order” which is executed at current market price quoted by Deltastock and accepted by the Client.
- Art. 10.1.2.** The Client can submit Orders at the office of Deltastock, via telephone, fax, or e-mail, or through BMTF.
- Art. 10.1.3.** Deltastock has included the minimum content of the Orders in the Sample Orders and requires it for submitting an Order via telephone.

- Art. 10.1.4.** The Client submits an Order to the address of Deltastock's head office or an address explicitly listed in the Agreement by filling in a sample Order. Deltastock provides the client a signed copy of the accepted Order.
- Art. 10.1.5.** The Client submits an Order via fax to Deltastock's fax number explicitly listed in the Agreement by filling in a sample Order.
- Art. 10.1.6.** The Client submits an Order via e-mail to Deltastock's e-mail address explicitly listed in the Agreement by filling in a sample Order as an attachment or a copy of the Order content.
- Art. 10.1.7.** Deltastock gives the Client the opportunity to submit an Order through BMTF, in the case when the Client is an individual member of BMTF. The submission of an Order through BMTF is automated and the procedure is simplified. The Client should provide access to BMTF on their own.
- Art. 10.1.8.** The Client may submit Orders orally at the telephone numbers listed on Deltastock's Website.
- Art. 10.1.9.** Deltastock will consider Orders placed over the telephone as valid only if the Client communicates to a Deltastock employee the required identification data and information outlined in their Agreement with Deltastock. Such Client data will comprise: full name of the individual, respectively, full and correct name of the legal entity, personal identification number of the Client who is a natural person, or registration number if the Client is a legal entity, or equivalent data; number of the identity card, passport, or other identity document of the natural person, or respectively, of the Representative of the legal person, account number with Deltastock.
- Art. 10.1.10.** Deltastock shall not be liable in the cases when the conditions under [Art. 10.1.9](#) were met, but the identification data and information are submitted by an unauthorised representative of the Client. In this case, the Client will bear all the risks of adverse consequences resulting from those actions. Deltastock shall take due care to identify the person placing the Order.
- Art. 10.11.** Orders placed over the telephone will not be accepted if they are submitted by a representative of the Client who has not certified in advance their power of attorney to Deltastock.
- Art. 10.1.12.** The Client may not use methods of submitting Orders not listed in [Art. 10.1.2](#)
- Art. 10.1.13.** Deltastock advises that each Order placed by means different than the listed above, shall be considered invalid and shall not be subject to execution. Deltastock shall not be liable for non-execution or incorrect execution of such order.
- Art. 10.1.14.** Regardless of the means chosen for placing Orders, the Client is obliged to place Orders following precisely the relevant requirements, and in the exact manner set out by Deltastock and under the Applicable Law.
- Art. 10.1.15.** If the content and submission requirements for the respective type of Order are not met, this Order will be considered as not being placed, with no obligation arising for Deltastock to execute the order. Therefore, the company will not be liable for not having executed or having incorrectly executed such an Order.
- Art. 10.1.16.** Deltastock reserves the right, at its own discretion, to require additional information with regard to a placed Order or Instruction, where such

information is necessary for the execution of the Order or Instruction, or for the purposes of compliance with the regulatory framework, including information required by regulatory bodies and institutions. Until such additional information is received by Deltastock, the latter is under no obligation to execute the Order or Instruction and will not bear any liability in that regard.

Art. 10.1.17. Deltastock accepts and executes Orders and Instructions submitted by representatives of the Client authorised to submit Orders and Instructions on account of the Client.

Art. 10.1.18. All changes in the scope of authority of the Representative, as well as any withdrawal or new authorisation must be immediately disclosed to Deltastock. When executing Trades in fixed income securities, before submitting the Order or Instruction on the Client's behalf, the Representatives must present to Deltastock a notarised power of attorney that contains the representative authority for execution of actions of disposal with financial instruments and declarations under **Art. 6.11** of these General Terms for a one-year period prior to submitting the Order.

The Representative has no right to place Orders if they have not provided the documents under the preceding sentence in advance.

Art. 10.1.19. Deltastock will not misuse any information concerning Client Orders that have not been executed and will take all sufficient measures to prevent such misuse by any person working under contract with Deltastock.

Art. 10.1.20. Deltastock records and keeps an archive of all: telephone conversations and messages related to reception, transmission and execution of Client Orders, regardless of whether the Trade is concluded; conversations and messages through electronic means of communication related to the reception, transmission and execution of Client Orders, regardless of whether the Trade is concluded; essential information related to the respective direct conversations with Clients, when such conversations are related to the reception of Client Orders, regardless of whether the Trade is concluded.

Art. 10.1.21. The recordings and documents shall be kept for a period of not less than 5 years from their creation. The period for keeping a certain recording starts from the date the recording was created. At the request of the competent authority, a longer period for keeping the recordings may be specified, which may not be longer than 7 years from the date of their creation.

Art. 10.1.22. The documents and recordings prepared in accordance with Art. 97, Para. 1 and Art. 96, Para. 3 of MiFIA are provided to the respective Client upon request.

Art. 10.1.23. The Client agrees that according to the Applicable Law, all conversations and messages related to the reception, transmission and execution of Client Orders are recorded and archived by Deltastock, for the purposes of ensuring the reliability and security of the information submitted, and are subsequently listened to in cases of any inconsistencies and disputes between the parties to the Agreement.

Art. 10.1.24. The Client consents that recorded conversations and electronic messages may be used as evidence.

Art. 10.1.25. The Client shall entirely bear the risk of damages resulting from Orders, Instructions and information submitted on their behalf and through their identification data, including Orders and Instructions from persons to which the Client has provided their identification data.

Art. 10.1.26. Deltastock will not be held liable for any potential damages incurred by the Client as a result of:

- a) incomplete and/or incorrectly submitted Order or Instruction by the Client;
- b) temporary or permanent disruption of the Client's Internet connection;
- c) temporary or permanent failure in the usage of other means of communication;
- d) technical failures of devices used by the Client, including but not limited to, hardware failures of the PC system used by the Client, software problems, etc.

Art. 10.2. Cancellation of orders

Art. 10.2.1. The client may submit an Order for cancellation of an already submitted Order until the moment of its execution.

Art. 10.2.2. The submission of the cancellation Order is carried out via the same communication means used for the earlier submission.

Art. 10.2.3. Deltastock undertakes actions for the cancellation from the moment it receives the Order.

Art. 10.2.4. The Client is hereby informed and agrees that the cancellation of the Order requires technological time. It is possible that the execution of the Order precedes the cancellation. In such case the Client shall bear the risk of unfavourable consequences.

Art. 10.2.5. The Client may cancel other Instructions given to Deltastock, provided that the latter has not started executing them.

Art. 10.3. Execution of Orders

Art. 10.3.1. Deltastock executes the Client Orders for trading in fixed income securities through a secondary MTF or an OTC market.

Art. 10.3.2. Deltastock provides the Client with the opportunity to trade in fixed income securities on a secondary market through BMTF, as well as indirectly through E-Bond Bulgaria.

Art. 10.3.3. In order for Deltastock to trade with the Client on a MTF, the client must also be an individual member of the respective MTF.

Art. 10.3.4. In the case of an Order execution on a MTF Deltastock shall act as a principal (counterparty) to each deal. In the case of an Order execution on an OTC market Deltastock shall act as a sole execution venue and as a principal (counterparty) to each deal. In both cases (execution on a MTF and an OTC market) the prices at which trading is done are determined (quoted) by Deltastock and not by a counter-interest of another client. All Client Orders for trading in fixed income securities on a secondary market are executed against the own liquidity of the investment intermediary.

Art. 10.3.5. Deltastock is the counterparty to each Deal with fixed income securities on a secondary market, hence it does not act as an agent or a broker. Nor does it

transfer (route, direct, send) the Client trading Orders to another execution venue.

Art. 10.3.6. Deltastock shall not execute client order outside the trading execution venues listed in **Art. 10.3.1** and **Art. 10.3.2**.

Art. 10.3.7. Deltastock shall not execute a Client Order if it has given a specific instruction for the Deal to be concluded on a trading or execution venue different from the ones listed **Art. 10.3.1** and **Art. 10.3.2**.

Art. 10.3.8. These General Terms shall not contain information regarding the trading conditions offered by BMTF, nor regarding the trading mechanisms of said MTF and Deltastock shall not give such information. The reason is that the Client should be an individual member of BMTF in order to trade on this secondary market, hence they are familiar with the trading conditions and mechanisms of this venue.

Art. 10.3.9. Deltastock shall not execute a Client Order an order on own account grouped (aggregated) with an Order of another client, when executing Orders for trading in fixed income securities on a secondary market, as in such case Deltastock acts as a counterparty to each Deal.

Art. 10.3.10. Deltastock shall not organise and conduct auctions for primary offerings of fixed income securities, nor does it offer the Client the opportunity to directly participate (on own behalf and account) in such auctions.

Art. 10.3.11. Deltastock accepts and executes Client Orders for acquisition of fixed income securities on the primary market in the following order:

- a) The client expresses interest in acquiring certain fixed income securities on a primary market by informing the intermediary about their maximum investment interest at a limit or market price, if available;
- b) Deltastock participates in the primary market (the respective auction) in accordance with the conditions of the offering, on own behalf and on own account, in the ordering and acquisition of the fixed income securities, in which the client has expressed interest;
- c) After acquiring the respective fixed income securities, Deltastock provides them to the client through a deal on an OTC market. In this deal Deltastock acts as a principal (counterparty) in accordance with the approved conditions of the primary offering (the price of the fixed income securities) and the respective service fees.

Art. 10.3.12. If upon submitting the order for participation on the primary market Deltastock has grouped together (aggregated) the investment interest of several clients, or has grouped together (aggregated) the client interest with its own interest, the investment intermediary allocates the fixed income securities acquired through participation on the primary market among all parties whose interests it has grouped together (aggregated) as set forth in Deltastock's Policy for Acceptance and Execution of Client Orders Applicable to Participation on the Primary Market of Fixed Income Securities and afterwards provides to its clients, in accordance with the conditions set forth in **Art. 10.3.11, letter "c"**.

Art. 10.3.13. Upon receiving and submitting Orders on the primary market, there shall be no grouping together (aggregation) and allocation of orders within the

meaning of MiFIA and the EU Delegated Regulation 2017/565. In those cases subject to grouping and allocation is the preliminary pronounced client interest in acquiring a certain fixed income security from a primary market through an auction.

- Art. 10.3.14.** Upon defining the parameters and submitting its bid for participation in the respective auction, Deltastock may group together (aggregate) the preliminary pronounced interest of several clients or to group together (aggregate) the preliminary pronounced client interest with its own.
- Art. 10.3.15.** Deltastock shall not group together (aggregate) and allocate client orders for trading in fixed income securities on a secondary market.
- Art. 10.3.16.** In order to participate in an auction, Deltastock may submit only one order with certain parameters (limit price or market order) in its name. Hence, the client, if they pronounce interest in acquiring the respective fixed income security offered at the auction, should keep in mind that Deltastock shall aggregate the investment interest with the interest of all other clients who want to acquire the same fixed income security at this auction with the certain parameter, and will also aggregate them with its own interest, should Deltastock has such.
- Art. 10.3.17.** Deltastock warns that, if there is an aggregation of preliminary pronounced client interests for the acquisition of a certain fixed income security offered at a certain auction, this may be to the detriment of the clients, if the intermediary is provided with less than the ordered number of fixed income securities.
- Art. 10.3.18.** In the case of partial satisfaction of the order submitted by Deltastock, the investment intermediary shall execute an allocation of the acquired fixed income securities proportionally to the average weight of the pronounced interest, unless the rules of the auction or the features of the fixed income security call for different allocation. Those allocation principles are also followed if Deltastock has grouped together the client interest with their own. Deltastock shall not allocate the acquired fixed income securities to the detriment of the client in order to gain benefit for itself. The interest of Deltastock participates in the allocation as equal to that of any other client.
- Art. 10.3.19.** Deltastock shall execute the Client Orders in accordance with the Policy for Execution of Client Orders Applicable to the Agreements for Trading in Fixed Income Securities on a Secondary Market of Deltastock and the Policy for Acceptance and Execution of Client Orders Applicable to Participation on the Primary Market of Fixed Income Securities of Deltastock.

The Policies, in their up-to-date version, are available and freely accessible on the website of Deltastock (www.deltastock.com) and the office of the investment intermediary.

- Art. 10.3.20.** In carrying out investment services and activities, Deltastock shall act honestly, fairly, professionally, in accordance with the best interest of its Clients, and with due care.
- Art. 10.3.21.** Deltastock shall execute promptly, fairly and precisely the accepted client Orders and will also be observing the order of entering of identical Orders.

Art. 10.3.22. Deltastock shall observe the following conditions when executing Client Orders:

- a) Guarantees that the Client Orders are immediately and correctly registered and allocated;
- b) Executes Client Orders comparable in other aspects consecutively and immediately, unless this is impossible due to the characteristics of the Order, the prevailing market conditions or the Client interest requires the opposite.

Art. 10.3.23. When specific Client Instructions are present, Deltastock shall execute the Order following these Instructions.

Art. 10.3.24. All special Client Instructions derogate the rules for best results established in the Policies under **Art. 3.19.**

Art. 10.3.25. When executing an Order in accordance with explicit Client Instructions, Deltastock has fulfilled their obligation to achieve the best result.

Art. 10.3.26. Deltastock shall not be liable if, correctly and with due diligence has executed a Client Order following the explicit instructions. The risk and consequences of the execution of such Orders shall remain at the account and responsibility of the Client.

Art. 10.3.27. Deltastock has the right to refuse to execute Client Orders or Instructions of the Client, without being required to state its reasons, including, but not limited to, situations where such execution would breach statutory provisions on countering money laundering, on insider dealing, or other legal requirements, or in the presence of other important circumstances, including such arising from these General Terms and the Agreement. The Client will be notified of the refusal immediately. In such cases Deltastock will not be held liable for any damages incurred by the Client.

Art. 10.3.28. If upon receiving an Order or Instruction by a Client, Deltastock finds out that, due to circumstances beyond its control, it is practically impossible to execute these Orders or Instructions for a certain period of time, the intermediary has the right to postpone or refuse to execute the Order or Instruction.

In such cases, Deltastock shall inform the Client through appropriate means, and will not be held liable for any damages incurred by the Client.

Art. 10.3.29. Deltastock is not obliged to accept and execute all Client Orders. The investment intermediary shall have the right to refuse to accept duly submitted Client Orders, without stating its reasons and without being liable to any compensation to the Client.

Art. 10.3.30. Deltastock shall have the right to refuse to provide the Client with the opportunity to participate on a primary market (auction), without stating its reasons, including, but not limited when this would breach statutory provisions on countering money laundering, on trading on inside information, or other legal requirements, or in the presence of other important circumstances, including such arising from the present General Terms and the Agreement. The Client will be notified of the refusal immediately.

In such cases, Deltastock will not be held liable for any damages incurred by the Client.

Art. 10.3.31. Deltastock shall not be required to provide the opportunity for participation

on a primary market (auction) every time the Client states an interest. Deltastock shall have the right to refuse participation, without stating its reasons, without being liable and without being required to lay out its motives.

Art. 10.3.32. The Client shall conclude each deal on their own account and at their own risk. Deltastock shall not be liable for any Client damages and losses, arising from Orders executed correctly and promptly.

Art. 10.3.33. Deltastock has the right to refuse to execute Client Orders or Instructions of the Client, without being required to state its reasons, including, but not limited to, situations where such execution would breach statutory provisions on countering money laundering, on trading on inside information, or other legal requirements, including but not limited to, MiFIA, the Law on Measures against Market Abuse with Financial Instruments (LMAMAFI), the Act on the special investment purposes companies - Special Purpose Investment Companies Act (SPICA), or in the presence of other important circumstances, including such arising from the present General Terms and the Agreement.

The Client will be notified of the refusal immediately.

Art. 10.3.34. Deltastock has no right to execute Client Orders without being required to give any reason, if the Client, respectively their representative, refuses to submit the declaration under Art. 35 of Ordinance No 38, or if they declare that the Trade that is subject to the Order is a concealed purchase or sale of financial instruments, and the refusal to submit the declaration being certified with a separate document signed by the Client. In this case, Deltastock will not be liable for any damages incurred by the Client.

Art. 10.3.35. Deltastock accepts Order and/or Instructions from the Client for transfer of securities and duly submits them to the depository bank, respectively the depository institution of the investment intermediary which executes them in accordance with its own rules.

Art. 10.3.36. The Client shall have no right to personally submit Orders and/or Instructions for transfer of securities to the depository bank, respectively to the depository institution of Deltastock.

Art. 10.3.37. Deltastock shall not be liable for any Client Damages related to acceptance, transmission and execution of Orders and/or Instructions for transfer of securities when the investment intermediary has duly submitted them to the depository bank, respectively the depository institution.

11. REMUNERATIONS, FEES, INTEREST, COSTS

Art. 11.1. Deltastock receives remuneration from the Client for the Services rendered. The remunerations of Deltastock, as well as the costs and fees applicable to the Trades are specified in the current Tariff and on the Website.

Art. 11.2. Deltastock provides the Client with comprehensive information about the costs and fees applicable to the Services provided, which is can be found:

a) In the Tariff of Deltastock for deals with fixed income securities and the related investment services and activities and ancillary services, available on the Website;

- b) In the document Information regarding the costs and charges incurred by Clients of Deltastock trading in fixed income securities, available on the Website;
- c) On the Website.
- Art. 11.3.** All fees and commissions charged by Deltastock to its Clients for concluding deals, safekeeping of fixed income securities and for the execution of the Agreement, are specified in the Tariff, which the Client declares that they have read and accept prior to entering into an Agreement with Deltastock.
- Detailed information about the different types of costs, their structure, and method of calculation is available in the document “Information regarding the costs and charges incurred by Clients of Deltastock”.
- Art. 11.4.** The Client is obliged, after concluding the deal, on the value date, to transfer the agreed sum (the price of the fixed income securities as well as the respective fees and commissions if such are present), to the provided bank account of Deltastock, or to have the required sum in their trading account opened with Deltastock, from which Deltastock can satisfy its demand. In the latter case Deltastock shall directly charge the Client’s trading account.
- Art. 11.5.** The obligations of Deltastock related to expenses and fees are paid by the intermediary by directly debiting them to the Client’s account (if such is present) or are transferred to the agreed bank account of the Client.
- Art. 11.6.** The Client undertakes to provide Deltastock with the funds required for entering into Trades.
- Art. 11.7.** The Client undertakes to pay all cash obligations to Deltastock, including remunerations, funds required for concluding deals, and also indemnities, in their net amount, by paying any due fees, commissions, deductions and other due amounts, on their own account.
- Art. 11.8.** The Client is deemed to be notified and agrees that they are liable for any taxes and/or other tax liabilities which may arise in relation to a Deal.
- Art. 11.9.** In the event where Deltastock pays any taxes or fulfils other tax liabilities on the Client’s behalf, the latter reimburses and indemnifies Deltastock.
- Art. 11.10.** In the event where the Client pays a liability to Deltastock in a currency other than the one required for the respective liability, all damages suffered by Deltastock in regard to that, including currency rate differences and commissions on currency exchange, shall be at the Client’s expense.
- Art. 11.12.** No interest is accrued on the credit balances of the Clients’ accounts with Deltastock.
- Art. 11.13.** Deltastock may change at any time the interest rates, fees and commissions it pays or charges the Client’s account with in execution of the Agreement by amending the Tariff.
- Art. 11.14.** Deltastock acts as counterparty to all deals with the Client, hence the intermediary:
- a) charges its Clients only with the fees and commissions specified in the Tariff
- b) does not apply different fees depending on the venue of execution of Client Orders;

- c) does not receive payments and incentives from third parties (which themselves are execution venues) in connection with the execution of these Orders;
- d) does not receive remuneration, discount or non-monetary benefit for transferring a Client's Order to a specific trading venue, or respectively an order execution venue;
- e) does not charge receivables to two or more participants in a Trade, in accordance with Art. 24, Para. 9 of MiFID II, does not receive non-monetary benefits as an intermediary, and the value of all monetary benefits received as an intermediary is specified in the Tariff.

Art. 11.15. Up-to-date information about the payment methods, including the bank account numbers of Deltastock, is available on the Website.

Art. 11.16. In the cases when the Agreement has been signed remotely without physical presence, by exchange of electronic messages, signed with an electronic signature, in accordance with Art. 13 of the Electronic Document and Electronic Signature Act (EDESA), but has not been signed with a qualified electronic signature, the transfers of funds for providing and receiving investment and ancillary services by the Client, are made only from and to a bank account opened in: a credit institution licenced in a member state of the European Union; or a credit institution licenced in a member state of the European Economic Area (EEA). The credit institution that issued the document under Art. 2 may also have headquarters in a member state of the Financial Action Task Force on Money laundering (FATF), in a member state of the Asia/Pacific Group on Money Laundering (APG), in a member state of the Eurasian Group on Combating Money Laundering and Financing of Terrorism (EAG), or in a member state of the Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism (MONEYVAL), a monitoring body of the Council of Europe.

Art. 11.17. By signing the Agreement for trading in fixed income securities, the Client unconditionally agrees and accepts that their account with Deltastock will be credited and debited with all positive and negative price differences resulting from Orders submitted by the Client or by their Representative, and from deals concluded, respectively executed, on the Client's behalf and risk.

12. RELATIONS WITH CLIENTS

Art. 12.1. By signing the Agreement Deltastock and the Client shall agree to conclude deals with fixed income securities on a primary and secondary market for the full price of the financial instrument, observing the provisions of the Agreement, the General Terms and the related documents, and for the remuneration determined in the Tariff and at prices quoted by Deltastock (for secondary market) and/or the prices of a primary offering plus the respective service fees (for primary market).

Art. 12.2. By signing the Agreement Deltastock and the Client may also agree that the investment intermediary shall store the Client's fixed income securities in a sub-account to own depository account in a depository institution and/or a depository bank, respectively a sub-depository bank, for the remuneration

determined in the Tariff.

- Art. 12.3.** Deltastock stores and administers the Client's fixed income securities, independently and/or through a depository institution and/or a depository bank, respectively a sub-depository bank, if the Client has explicitly stated their wish.
- Art. 12.4.** The services provided under **Art. 12.1** include the acquisition and disposing of financial instruments at Bulgarian and/or foreign financial instruments market, as well as the opening of depository accounts in a depository institution and/or a depository bank, respectively a sub-depository bank, in accordance with the practice and rules of the respective financial instruments market and the Market rules.
- Art. 12.5.** The services provided under **Art. 12.1** include the following activities:
- a) Safekeeping of the certificates for the dematerialised financial instruments;
 - b) Execution of all ordered cashless payments on behalf of and on account of the Client;
 - c) Keeping of dematerialised financial instruments in a sub-account in the respective depository institution and/or a depository bank, respectively a sub-depository bank;
 - d) Execution of the necessary activities related to settlement from the respective and/or a depository bank, respectively a sub-depository bank.
- Art. 12.6.** The assets accepted by Deltastock on behalf of the Client are accounted separately from Deltastock's own assets. The depository institution and/or a depository bank, respectively a sub-depository bank segregates the financial instruments of the Client from the own assets of the intermediary.
- Art. 12.7.** The Client shall be able to deposit and withdraw funds from their account at any time, within its current balance and within the limitations set forth in the Limitation of Cash Payments Act.
- Art. 12.8.** The Client shall not be able to deposit and withdraw funds from their account if the documents identifying them upon concluding the Agreement have expired and they have not presented Deltastock with proper valid documents.
- Art. 12.9.** The Client shall not be able to deposit and withdraw funds from their account if the succeeding documents have also expired and they have not presented Deltastock with proper valid documents.
- Art. 12.10.** In the cases under **Art.12.8** and **Art. 12.9** Deltastock will hold back the payment until the proper valid documents are provided. The exercising of this right by Deltastock shall not be considered as a breach of the contractual relationship between the parties and shall not affect any other rights Deltastock is entitled to under the General Terms and the Agreement.
- Art. 12.11.** The Client cannot withdraw funds from their account also if they have not provided a declaration and/or new documentary proof establishing them as a resident for tax purposes, when this is required for the needs of the Due Diligence procedures under TSSPC, in the cases where the time periods given by Deltastock or set out in the TSSPC have expired.
- Art. 12.12.** In the cases under **Art. 12.11**, Deltastock will hold back the payment until the appropriate valid declarations/documents are provided. The exercising of this

right by Deltastock shall not be considered as a breach of the contractual relationship between the parties and shall not affect any other rights Deltastock is entitled to under the General Terms and the Agreement.

- Art. 12.13.** The Client is under the obligation to independently monitor their current account balance (free funds).
- Art. 12.14.** Deltastock is entitled to cover all of its losses resulting from the Client's actions in result of concluding deals under the provisions of the Agreement concluded with the Client by debiting the Client's account with the amount to the extent of their loss.
- Art. 12.15.** The Client agrees that the amount of funds in the Client's accounts opened with Deltastock may be different from the initially deposited amount and shall fully correspond to the results from their activities.
- Art. 12.16.** When providing the services of accepting and executing Orders for trading in fixed income securities, with or without the provision of additional services, Deltastock does not require from the Client information about their knowledge and experience, as the financial instruments and related services offered cover the following conditions:
- a) Trading in fixed income securities may take place on an MTF;
 - b) The fixed income securities are not bonds or other types of securitised debt with underlying derivative instrument and do not have a structure that would prevent the Client from understanding the related risk;
 - c) the service of accepting and executing Orders for trading in fixed income securities, with or without the provision of additional services, is provided solely at the Client's initiative;
 - d) Deltastock shall inform in written the Client or the potential client that they shall not conduct an expediency verification;
 - e) Regardless of the above, Deltastock warns that before conducting live trading with fixed income securities, the Client should assess whether the services offered are suitable for them, considering their knowledge and experience.
- Art. 12.17.** Deltastock informs the Client that the provision of **Art. 12.16** is considered a standard written form for informing the Client or the potential client that the investment intermediary shall not conduct an expediency verification.
- Art. 12.18.** Deltastock stores financial instruments and funds of the Client if they have explicitly expressed their wish.
- Art. 12.19.** Detailed information about the safeguarding of Clients' financial instruments and funds is available in the document "Information regarding safeguarding of the financial instruments and funds of Deltastock's clients trading in fixed income securities", whose up-to-date version is available and freely accessible on the Website and in the office of the investment intermediary.
- Art. 12.20.** Deltastock shall undertake measures for the protection of the Client's ownership rights over their assets.
- Art. 12.21.** Deltastock does not store the Client's financial instruments with itself.
- Art. 12.22.** Deltastock deposits Clients' financial instruments in a depository institution under Art. 94, Para. 1 of MiFIA, in client accounts under the intermediary's

accounts or accounts under the accounts of third parties.

Art. 12.23. Deltastock deposits Clients' financial instruments in a depository institution under Art. 94, Para. 1 of MiFIA, in client accounts under the intermediary's accounts or accounts under the accounts of third parties, if the eligible counterparty has explicitly wished that Deltastock holds the fixed income securities.

If the eligible counterparty has not expressly wished that Deltastock holds the fixed income securities, then the responsibility for their keeping is of the eligible counterparty and the financial intermediary has no obligations in that regard.

Art. 12.24. Deltastock holds the financial instruments of their clients in the depository institutions indicated on their website (www.deltastock.com).

Art. 12.25. Deltastock does not store the funds of their Clients with itself.

Art. 12.26. Deltastock deposits its Clients' (professional clients) funds with persons under Art. 93, para. 1 of MiFIA in an account or accounts segregated from all accounts used for storing own funds of the financial intermediary.

Art. 12.27. Deltastock may deposit the funds of a Client (eligible counterparty) with persons under Art. 93, para. 1 of MiFIA in an account or accounts segregated from all accounts used for storing own funds of the financial intermediary, if the eligible counterparty has explicitly expressed their wish that the storing of funds be conducted by Deltastock.

If the eligible counterparty has not expressly wished that Deltastock stores the funds, then the responsibility for their keeping is of the eligible counterparty and the financial intermediary has no obligations in that regard.

Art. 12.28. Deltastock deposits its Clients' funds in commercial banks (credit institutions) indicated on the Website (www.deltastock.com).

Art. 12.29. Deltastock has segregated their own financial instruments and funds from those of their clients.

Art. 12.30. Deltastock maintains accountability and keeps accounts of Clients' financial instruments and funds:

- a) in a way that allows at any time the immediate segregation of Clients' assets among different Clients, and its own assets;
- b) indicate precisely the financial instruments and funds stored on behalf of clients;
- c) may be used for documentary traceability (audit trail).

Art. 12.31. Deltastock keeps analytical accounts of all the financial instruments and funds of its clients. Deltastock takes the necessary measures to ensure that all client financial instruments can be, at any time, clearly distinguished from the financial instruments of the investment intermediary, through accounts held in different names in the accounting of the investment intermediary or through other equivalent measures that achieve the same level of protection.

Art. 12.32. If the Client is an eligible counterparty and is solely responsible for storing their financial instruments and funds, then Deltastock does not keep an analytical account.

- Art. 12.33.** Deltastock does not dispose with the financial instruments of its Clients on own account, on the account of other Clients, or on account of any other person.
- Art. 12.34.** Deltastock cannot and does not use the funds of its clients on own account, except with the explicit consent of the client.
- Art. 12.35.** Deltastock will not be liable to its creditors with the financial instruments and funds of its Clients.
- Art. 12.36.** Void to the client are rights of set-off or establishing compensation over client funds, or other actions related to client financial instruments and funds, enabling a third party to dispose of client's financial instruments or funds in order to recover debts that do not relate to the client or provision of services to the client are not permitted except where this is required by applicable law in a third country jurisdiction in which the client financial instrument and/or funds are held.
- Art. 12.37.** Deltastock sends on a quarterly basis, to any Client on whose behalf it holds financial instruments or funds, a statement on a durable medium for the respective financial instruments or funds, except in the cases where such a statement is provided as part of another periodic statement.
- Art. 12.38.** Upon request from the Client Deltastock provides this statement more frequently, for a fee determined on commercial basis.
- Art. 12.39.** By signing the Agreement, the Client agrees that Deltastock may deposit their funds in the persons under Art. 93, Para. 3 of MiFIA, even in the cases where Deltastock is related thereto.
- Art. 12.40.** Deltastock accepts cash payments from Clients for the provision of investment and/or ancillary services, as well as funds necessary for deals with fixed income securities, and respectively makes cash payments to Clients in compliance with the requirements set out in the Limitation of Cash Payments Act.
- Art. 12.41.** Money received in cash by or on behalf of Clients, as well as funds provided by Clients or received as a result of Services carried out on their behalf, are deposited in any of the bank accounts specified on the Website no later than the end of the next business day.
- Art. 12.42.** Deltastock accepts cash payments from Clients also in cases where the Agreement with the Client has been concluded in person or remotely, by using a qualified electronic signature.
- Art. 12.43.** In the cases when the Agreement has been signed remotely without physical presence, by exchange of electronic messages, signed with an electronic signature, in accordance with Art. 13 of the Electronic Document and Electronic Signature Act (EDESA), but has not been signed with a qualified electronic signature, the transfers of funds for providing and receiving investment and ancillary services by the Client, are made only from and to a bank account opened in: a credit institution licenced in a member state of the European Union; or a credit institution licenced in a member state of the European Economic Area (EEA). The credit institution that issued the document under Art. 2 may also have headquarters in a member state of the Financial Action Task Force on Money laundering (FATF), in a member state of the Asia/Pacific Group on Money Laundering (APG), in a member state of

the Eurasian Group on Combating Money Laundering and Financing of Terrorism (EAG), or in a member state of the Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism (MONEYVAL), a monitoring body of the Council of Europe.

Art. 12.44. Deltastock is entitled to retain the financial instruments and funds acquired as a result of executed Orders or Instructions by the Client, as well as to close without prior notice part or all of the Client's open Positions, where the latter has delayed the payment of their liabilities to Deltastock.

The Client is deemed to be informed and agrees that in such cases Deltastock will be entitled:

- a) To offset the Client's funds against financial liabilities of the Client towards Deltastock, including the amounts blocked as collateral for financial instruments;
- b) To call upon the Client, by way of notice, to meet their obligations within a reasonable period of time, during which the Client will deposit the outstanding amount to their account or will place an Order for closing part or all of their current Positions. The notice shall advise the Client of the right which Deltastock is entitled to under **item (c)** below;
- c) Upon failure by the Client to pay their liabilities, including within the additionally provided period of time under item (b) above, Deltastock shall be considered to be implicitly authorised by the Client to close part or all of their Positions at its sole discretion;
- d) If the liabilities of the Client towards Deltastock and the amounts held in their accounts are in different currencies, Deltastock may convert such amounts at the Current Market Prices for the purposes of offsetting.

Art. 12.45. All expenses, including fees and commissions payable to Deltastock in relation to exercising its rights stipulated above, shall be at the expense of the Client.

Art. 12.46. All funds that remain after the Client's liabilities towards Deltastock have been fully settled shall be credited to the Client's account.

Art. 12.47. By signing the Agreement, the Client declares their explicit consent to the processing of the personal data they provide to Deltastock, including the data additionally gathered during the process of concluding and executing the Agreement.

The Client also consents that Deltastock will be entitled to conduct a verification of their personal data through checks with independent sources, in compliance with all of the requirements under the Applicable Law. Deltastock collects and processes a Client's personal data solely for the purposes of entering into and execution of an Agreement with them, for the purposes and objectives of MAMLA, MTFA, TSSPC, MiFIA and other applicable regulations, adhering to the requirements of the Personal Data Protection Act (PDPA), Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation), and of other provisions of the Applicable Law.

Only authorised persons working under contract with Deltastock have access

to the personal data, and the latter provide a Client's personal data to third parties only in the cases provided for in the Applicable Law and for the purposes specified herein.

The Client furthermore declares their explicit consent that Deltastock may disclose their personal data to banks and other credit and financial institutions, which are authorised by the competent authority of their domicile, including to such entities which are established outside the European Union and the European Economic Area, provided that such disclosure is necessary for the purposes of execution of the Agreement and is in compliance with the Applicable Law.

By signing the Agreement, the Client furthermore declares their explicit consent that Deltastock may disclose their personal data for the purposes and objectives of the Automatic Exchange of Financial Information in the Field of Taxation, under the terms and to the entities referred to in TSSPC, for the purposes of reporting under MiFIR and EMIR, and for the purposes the tax legislation in Bulgaria, USA, and Sweden.

Art. 12.48. In carrying out its activities, Deltastock is under the obligation to protect its Clients' commercial secret, as well as their business reputation.

Members of Deltastock's management and supervisory bodies and the persons working under contract for Deltastock may not disclose, unless authorised to do so, and use to their own benefit or to the benefit of another person information about any facts and circumstances regarding the trading account balances and operations, and also about Clients' funds, or any other facts and circumstances constituting a commercial secret, which may have come to the knowledge thereof in the performance of the official and professional duties thereof.

Art. 12.49. In addition to FSC, the Deputy Chairperson of FSC and authorised FSC administration officials – for the purposes of their supervisory activities and within the limits of order for inspection, as well as on the regulated market it is a member of, the investment intermediary may provide information under **Art. 12.48** only:

- a) with the Client's consent;
- b) by the order of Division Two, Chapter Sixteen, Section III a of TSSPC, including on the obligations under FATCA;
- c) by a court decision issued under the conditions and by order of Art. 91, Para. 2 and 3 of MiFIA;
- d) in addition to the above cases, Deltastock provides information about the Client's financial instruments and funds to the trustees appointed by the court, for the purposes of performing their duties related to insolvency and to the restructuring authorities under the Recovery and Resolution of Credit Institutions and Investment Firms Act.

Art. 12.50. Apart from the cases under **Art. 12.49**, Deltastock discloses facts and circumstances concerning:

- a) Client's personal data and information about Client Orders and open Positions, in relation to the reporting under MiFIR and EMIR;
- b) Client's personal data and paid income related to the fulfilment of the

obligations of Deltastock under ITNPA (Income Taxes on Natural Persons Act) by preparing and providing to the National Revenue Agency a report for the payment of income to natural persons under Art. 73 of the Income Taxes on Natural Persons Act;

- c) Client personal data related to the cases where it must perform its role of “Withholding Agent” under US tax law and withhold a tax on accrued dividend-equivalent payments for CFDs based on “shares of US companies” and “US funds” and pay it to the US tax authorities on behalf of the Client;
- d) Client personal data of Clients holding Swedish citizenship or permanent residents of Sweden, as well as the income paid, related to the obligation of Deltastock to disclose before the Swedish tax authorities that information, by completing and filing of an annual reports for their income;
- e) documents, information, reports, statements, written and oral explanations for the purposes of the inspections under Art. 108, Para. 3 of MAMLA, in relation to the obligation of Deltastock AD to provide the Bulgarian State Agency for National Security (SANS) with the requested information, and the intermediary cannot refuse to provide the requested information due reasons of official, commercial or professional secret, or that it represents tax and social security information or protected personal information.

Art. 12.51. By signing the Agreement, the Client is under the obligation to protect the commercial secrets and reputation of Deltastock, as well as not to disclose circumstances that have become known to them during the execution of the signed Agreement.

Art. 12.52. Deltastock applies a Conflicts of Interest Policy Applicable to the Deals with Fixed Income Securities and the Related Investment Services and Activities and Ancillary Services, which is available on the Website.

By signing the Agreement, the Client declares that they have read and accept the Conflicts of Interest Policy Applicable to the Deals with Fixed Income Securities and the Related Investment Services and Activities and Ancillary Services of Deltastock.

The Conflicts of Interest Policy Applicable to the Deals with Fixed Income Securities and the Related Investment Services and Activities and Ancillary Services establishes the conditions for the prevention and identification of conflicts of interest, as well as, where such conflicts arise, for the fair treatment of Clients, disclosure of information and for avoidance of damage to Clients’ interests.

In carrying out investment services and activities, Deltastock, in its capacity of investment intermediary, takes sufficient measures for identifying and avoiding or managing conflicts of interest between:

- a) Deltastock, including the individuals who manage the investment intermediary, and persons working under contract, tied agents, or any other person, who is directly or indirectly linked by control to the investment intermediary, on one part, and its Clients, on the other;
- b) individual Clients of the investment intermediary.

Deltastock establishes the conditions for the prevention of conflicts of interest, as well as, where such conflicts arise, for their fair resolution.

Deltastock is obliged to protect the interests of its Clients and to act fairly, honestly and professionally. All persons working under contract with Deltastock are obliged to protect the interests of the investment intermediary and to fulfil its obligations for protecting Clients' interests.

The Policy applies in respect to all Clients of Deltastock, including professional clients and eligible counterparties.

Art. 12.53. The Client submits Orders at their own discretion and initiative. Deltastock does not provide investment advice to Clients.

In the cases where Deltastock provides to Clients information through the Website regarding the main characteristics and features of certain financial instruments or Services, as well as when the company provides statistical data or information regarding the current status of different financial instruments and/or markets, that information or data is indicative only and should not be considered as a recommendation for entering or not entering into a Deal, a suggestion for investment strategy, or any other form, whatsoever, of provision of investment advice.

Art. 12.54. Deltastock may directly or indirectly provide the Client with access to financial information published by third parties through electronic means. In particular, Deltastock may provide links to third party websites through the Electronic Trading Platform. Such websites are publicly accessible and Deltastock will refer its Clients to those solely for their convenience. Deltastock makes no warranties regarding the content of such websites or the accuracy and completeness of financial information provided by them or by third parties – suppliers of information.

By signing the Agreement, the Client confirms that they are aware of, understand and accepts that:

- a) The financial information may contain, or be subject to, errors, omissions, delays and inconsistencies;
- b) Deltastock does not provide any warranty on the financial information provided to the Client through the Electronic Trading Platform or the Website;
- c) the financial information provided by Deltastock will not be deemed as a recommendation or an investment advice for entering or refraining to enter into Trades.

Art. 12.55. In relation to the existing and future relationships with Clients, which are or will be conducted primarily over the Internet, and unless otherwise agreed, by signing the Agreement, the Client declares that they:

- a) explicitly prefer the durable medium used to be in the form of electronic messages and electronic documents and scanned documents sent to the email address provided by the Client;
- b) explicitly prefer the provision of information to be carried out through the Website or the Electronic Trading Platform; and
- c) are notified by electronic means about the Website address and the exact section of the Website where the relevant information may be found.

Art. 12.56. Upon any changes to the personal data used to identify the Client at the time of conclusion of the Agreement, including changes to the data based on which Due Diligence under the TSSPC was conducted and it has been determined whether the Client's account is a Reportable Account, they are obliged to promptly notify Deltastock and provide the relevant documents to validate the change.

If the Client fails to provide information and/or documents, Deltastock is entitled to unilaterally terminate the contract under **Art. 15.3.1, letter (c)** of these General Terms.

Art. 12.57. If the Client is a legal entity, it is required, upon expiry of the LEI, to promptly (prior to, or at the latest, on the date of expiry of the LEI) notify Deltastock about its renewal and provide the relevant document if such has been issued. If the Client fails to provide LEI, Deltastock is entitled to unilaterally terminate the contract under **Art. 15.3.1, letter (c)** in relation to **Art. 15.2.1, letter (f)** of these General Terms.

Art. 12.58. Deltastock identifies whether a Client's account is a Reportable Account for the purposes of the Automatic Exchange of Information in the Field of Taxation, including a US Reportable Account, which should be reported, according to the procedures set out in the TSSPC.

If the information provided by the Client is insufficient for identification, and also for the Due Diligence under the TSSPC, Deltastock is entitled to request additional information, including the provision of documents by the Client.

The Client is under the obligation to provide the information and/or documents requested by Deltastock within specified time limit, and a refusal to do so will be considered as a failure to fulfil the obligations specified in the Agreement.

If the Client fails to provide the information and/or documents, Deltastock is entitled to unilaterally terminate the Agreement under **Art. 15.3.1, letter (c)** of these General Terms.

Art. 12.59. Deltastock does not provide advice to its Clients in making investment decisions or in relation to regulatory, legal and or tax issues.

13. ONGOING AND PERIODICAL STATEMENTS TO CLIENTS

13.1. Deltastock provides to the Client reports on durable mediums about the services rendered. They include information relevant to the type and complexity of the respective financial instruments and the characteristics of the service rendered, as well as information on the expenses related to the deals and services carried out on account of the Client.

13.2. For each Deal executed upon an Order of the Client, Deltastock shall provide them with the essential information on the executed Order and the significant information on the Deal at the earliest convenience.

13.3. No later than a business day following the day of execution of the Client Order, Deltastock shall inform the Client on the venue where the Order was executed.

- 13.4.** For each Deal executed upon an Order of the Client, Deltastock shall send a message to the Client confirming the execution of the Order. This will be done at the earliest convenience, but not later than the first Business Day following the day of execution of the Order.
- 13.5.** If the information or the confirmation is received by Deltastock through a third party, the Client shall be notified no later than on the first Business Day following the day on which Deltastock has received the confirmation from the third party.
- 13.6.** Deltastock sends the information under [Art. 13.2](#), [Art. 13.3](#) and the confirmations under [Art. 13.4](#) and [Art. 13.5](#) to the e-mail provided by the Client or through BMTF.
- 13.7.** Deltastock shall not send confirmations under [Art. 13.4](#) and [Art. 13.5](#) to the Client, if the confirmation will contain the same information and the confirmation sent to the Client by another party.
- 13.8.** Besides the documents under [Art. 13.2](#), [Art. 13.3](#), [Art. 13.4](#) and [Art. 13.5](#), upon request Deltastock shall provide to the Client information about the status of the Order.
- 13.9.** The message confirming the execution of the Order shall contain the information set out in Art. 59, para. 4 of Delegated Regulation 2017/565, inasmuch as it is relevant and applicable.
- 13.10.** The Client is expected to carefully check the content of each confirmation and/or information under [Art. 13.2](#), [Art. 13.3](#), [Art. 13.4](#), and [Art. 13.5](#) received from Deltastock and immediately to notify the investment intermediary if there are any errors or discrepancies.
- 13.11.** The sending or not sending of each confirmation and/or information under [Art. 13.2](#), [Art. 13.3](#), [Art. 13.4](#), and [Art. 13.5](#) does not concern the validity of the concluded Deal.
- 13.12.** When Deltastock holds a Client's assets, it will provide the latter with a statement by email, at least once a year, unless the content of this statement is not reflected in other periodical statements sent previously to the Client:
- a)** Information about the financial instruments or funds kept by the investment intermediary on behalf of the client as of the end of the reporting period;
 - b)** The amount of the Client's financial instruments or funds have been subject of a deal for financing securities;
 - c)** The size of the coupon or other payments to the Client payable from their participation in a deal for financing securities, as well as the base on which they were determined;
 - d)** The fees and storage commissions, including the ones paid by the investment intermediary.
- 13.13.** In the cases when the Client account contains one or more deals with incomplete settlement, the information under [Art. 13.12](#), letter "a" may be provided as of the date on which the deal was concluded or as of the date of settlement. The selected approach may be used in the presentation of the information on all such deals in the report under [Art. 13.12](#).

14. EVENTS OF DEFAULT. LIABILITY

Art. 14.1. The liability for failure to fulfil a contractual obligation, and also for damages to any of the parties, shall be dealt with in accordance:

- a) with the provisions of this Section;
- b) the provisions otherwise stipulated in these General Terms;
- c) the individual Agreement with the Client.

Art. 14.2. Deltastock may be unable to provide quotes if it experiences temporary technical difficulties or in case of circumstances impeding the execution of Trades on the relevant markets. In such cases, Deltastock shall not be liable for any damages incurred by the Client.

Art. 14.3. If Deltastock incurs losses as a result of errors made when placing Instructions over the telephone or through an Authorised Representative Deltastock is entitled to offset the loss incurred against the Client's trading account. If the loss incurred is greater than the sum in the account, Deltastock is entitled to offset the whole sum and to seek indemnity from the Client as provided for by the legislation.

Art. 14.4. The Client is obliged to indemnify Deltastock for any damages incurred by Deltastock in relation to the provision of Services to the Client, or resulting from the non-performance of any of the Client's obligations under the Agreement, these General Terms or the Applicable Law.

Art. 14.5. If due to failure of the Client to meet their contractual obligations, Deltastock suffers losses or damages, it will be entitled to indemnification for damages and lost profits.

In such case, Deltastock is entitled to send an invitation to the Client for a voluntary indemnification payment within a period of 30 (thirty) days, as the Client pays the due amount plus statutory interest and compensation for damages and/or lost profits.

If the Client refuses to make the above-mentioned voluntary payment, Deltastock is entitled to seek its rights as provided under the general legal order.

15. EFFECTIVE DATE OF THE AGREEMENT. TEMPORARY SUSPENSION OF PROVISION OF SERVICES. TERMINATION OF AGREEMENT. FORCE MAJEURE.

Art. 15.1. Effective date of the Agreement

Art. 15.1.1. The Agreement is effective from the date of signing by both parties. If the two parties signed it on a different dates – from the later of the two.

Art. 15.1.2. The Agreement between Deltastock and the Client is of indefinite duration.

Art. 15.2. Temporary suspension of provision of Services

Art. 15.2.1 Deltastock reserves the right to suspend temporarily the provision of all or part of the Services subject of the Agreement in cases where:

- a) it is suspected or there are indications that the Client has acquired and misused inside information or any other information protected by law or the relevant market practices;
- b) it is suspected or information is available that certain Trades based on Client Orders represent concealed purchase or sale of CFDs or other financial instruments which are prohibited under § 1, item 8 of Ordinance No 38 of FSC;
- c) it is suspected or information is available that the representative of the Client executes Trades in CFDs or other financial instruments by occupation, or has executed such Trades within one year prior to placing a certain Order;
- d) it is suspected or there is information leading to the reasonable doubts that the Client has breached any legal provision(s) related to anti-money laundering and terrorism financing;
- e) the Client has breached any provision of their Agreement with Deltastock, the General Terms, or it is suspected, or there is evidence, that the Client violates any provision of the Applicable Law;
- f) The LEI of the Client that is a legal entity has expired and the Client has not renewed it, or has renewed it, but has not promptly notified Deltastock about that circumstance.

Art. 15.2.2 In the above cases under **Art. 15.2.1** Deltastock is entitled to unilaterally terminate the Agreement with the Client under **Art. 15.3.1, letter "c"** above.

Art. 15.3 Termination of agreement

Art. 15.3.1 The Agreement between the Client and Deltastock may be terminated in the following cases:

- a) by mutual consent of the parties expressed in writing;
- b) by a 7-day written notice of termination served by either party;
- c) immediately and without prior notice: by either party, in case of failure by the other party to fulfil any obligation under the Agreement;
- d) Without prior notice in the period under **Art. 16.4**, **Art, 16.8** and/or **Art. 16.2** in the case of Client's disagreement with the amended or new documents;
- e) immediately and without prior notice, in case of termination of the legal entity which is a party to the Agreement;
- f) Immediately and without prior notice in case of insolvency proceedings against the Client or they are declared insolvent or in case of its deletion from the respective company register of either Party;
- g) Immediately and without prior notice in case of the imposition of measures to secure third party claims on the Client's property;
- h) immediately and without prior notice when commencing actions for universal or individual enforcement against the Client or their property by other creditors;
- i) immediately and without prior notice in the event of establishing of public liabilities with an act provided by Applicable Law;

- j) in case of death, legal incapacity or disease resulting in inability of a Client which is a natural person to fulfil their obligations under the Agreement. In such cases the Agreement shall be deemed terminated as of the date of receipt by Deltastock of the documents certifying the above circumstances.
- k) in case of other events or circumstances provided for in these General Terms, the Agreement or the Applicable Law.
- Art. 15.3.2.** Upon serving of a written notice of termination of the Agreement or with an agreement of termination by mutual consent, the Client is obliged to instruct Deltastock on how to deal with the funds available in the Client's account(s), as well as with the stored fixed income securities in the Client's sub-accounts in depository institutions, depository banks or sub-depository banks.
- Art. 15.3.3.** Besides the cases under **Art. 15.3.2**, the Client or their successors are obliged to instruct Deltastock on how to deal with the funds available in the Client's account(s) and the financial instruments stored by Deltastock within 7 (seven) days as of the termination date.
- Art. 15.3.4.** In all cases listed in **Art. 15.3.2** and **Art. 15.3.3** Deltastock is entitled to be reimbursed by the Client with all expenses related to the safekeeping and disposal of the Client's funds and financial instruments.
- Art. 15.3.5.** Upon termination of the Agreement under **Art. 15.3.1, letter "d"**, the Client shall not be liable for defaults and expenses, with the exception of those related to the owned assets and funds.
- Art. 15.3.6.** Upon termination of the Agreement, Deltastock is entitled to offset from the Client's Assets, to the extent reasonably possible, any fees, expenses, remuneration or other payments owed to Deltastock, including those under **Art. 15.3.4** above.
- Art. 15.4. Force majeure**
- Art. 15.4.1.** Deltastock shall not be liable for any damages and expenses incurred or borne by the Client, in the cases where Deltastock is impeded from performing its obligations under the Agreement due to circumstances outside its control, including but not limited to, technical and communication breakdowns, loss or non-delivery of data due to technical and communication breakdowns, natural disasters, illegal or criminal actions committed by third parties, legislative amendments, acts of terrorism, military operations, important economic or political news, intervention by governing authorities with the activities of the parties to the Agreement and/or any other events of objective nature.
- Art. 15.4.2.** In cases where conditions of Force majeure have occurred, Deltastock may cease to provide all or a part of its Services as well as the fulfilment of all or a part of its obligations according to the Agreement until the Force majeure conditions are present, as Deltastock shall inform the Client appropriately.
- Art. 15.4.3.** Deltastock carries out all Deals with assets according to the Market Rules, which upon occurring of conditions of Force Majeure, usually contain more extensive power than the ones specified in **Art. 15.4.2**.

16. AMENDMENTS TO BINDING DOCUMENTS

- Art. 16.1.** The Agreement is amended in a manner specified in it.
- Art. 16.2.** Deltastock reserves the right to change (amend and/or supplement) these General Terms or adopt new ones. In such case, Deltastock shall notify the Client at the email address which they specified and shall publish the document on its Website at least 1 (one) month prior to their effective date. The amended General Terms must contain information about the date of adoption and effective date.
- Art. 16.3.** If within the term specified in **Art. 16.2** above the Client does not reject explicitly and in writing, using the declared by them durable medium, the amended or new General Terms, they shall become binding to the Client, without the need for additional statement on their behalf.
- Art. 16.4.** If the client rejects explicitly and in writing the amended or new General Terms, through the durable medium specified by them, the rules for termination of the Agreement stipulated in **Art. 15.3.1, letter “d”** shall apply.
- Art. 16.5.** If the General Terms are amended, and as a consequence they contain provisions that differ from and/or conflict with those of the Agreement, the amended texts of the General Terms shall prevail in the relations between the parties. This rule shall not apply in the cases specified in **Art. 6.5**, and also in cases where the parties have expressly stated in the Agreement that all or some of its provisions shall prevail over subsequent amendments to the General Terms.
- Art. 16.6.** Deltastock reserves the right to change (amend and/or supplement) the Tariff or adopt a new one. In such case, Deltastock shall notify the Client at the email address which they specified and shall publish the document on its Website at least 1 (one) month prior to its effective date.
- Art. 16.7.** If within the term specified in **Art. 16.6** above the Client does not reject explicitly and in writing, using the declared by them durable medium, the amended or new Tariff, it shall become binding on the Client, without the need for additional statement on their behalf.
- Art. 16.8.** If the client rejects explicitly and in writing the amended or new Tariff, through the durable medium specified by them, the rules for termination of the Agreement stipulated in **Art. 15.3.1, letter “d”** shall apply.
- Art. 16.9.** Deltastock reserves its right to amend or adopt new versions of the following documents:
- a) Information regarding the investment intermediary Deltastock and its services related to trading in fixed income securities as intended for clients and potential clients;
 - b) Information regarding safeguarding of the financial instruments and funds of Deltastock’s clients trading in fixed income securities;
 - c) Information regarding the costs and charges incurred by clients of Deltastock trading in fixed income securities;
 - d) Information regarding the financial instruments – fixed income securities – subject to the investment services and activities and ancillary services carried out by Deltastock and the risks involved;

- e) Policy for Execution of Client Orders Applicable to Participation on a Primary Market of Fixed Income Securities;
- f) Policy for Execution of Client Orders Applicable to the Agreements for Trading in Fixed Income Securities on a Secondary Market of Deltastock
- g) Conflict of Interest Policy of Deltastock in Regard to Deals with Fixed Income Securities and Related Investment Services and Activities and Ancillary Services;
- h) Client Categorisation Rules of Deltastock;
- i) Client Complaints Management Rules of Deltastock.

Art. 16.10. In such cases, at least 7 (seven) days prior to the effective date of the amendments to the respective document, Deltastock shall notify the Client of that circumstance at the email address they have specified and shall publish the document on its Website.

Art. 16.11. If within the term specified in **Art. 16.10** above the Client does not reject explicitly and in writing, using the declared by them durable medium, the amended or new document under **Art. 16.9**, they shall become binding on the Client, without the need for additional statement on their behalf.

Art. 16.12. If within the term specified in **Art. 16.10** above the Client rejects explicitly and in writing, using the declared by them durable medium, the amended or new document under **Art. 16.9**, the rules for termination of the Agreement stipulated in **Art. 15.3.1, letter “d”** shall apply.

Art. 16.13. In the event that for a particular amendment to any of the documents under **Art. 16.9**, the Applicable Law explicitly requires a way of acknowledgement and consent by Clients, which is different from the one specified in **Art. 16.11**, Deltastock shall apply the legal way of acknowledgement and consent.

Art. 16.14. Deltastock cannot execute Orders by Clients, if they have not given their prior consent to the amendments to:

- a) the Policy for Execution of Client Orders Applicable to the Agreements for Trading in fixed income securities on a secondary markets of Deltastock;
- b) Policy for Execution of Client Orders Applicable to Participation on a Primary Market of Fixed Income Securities.

17. DISPUTE RESOLUTION

Art. 17.1. Any dispute between Deltastock and the Client arising in relation to the application, execution and interpretation of the General Terms or the Agreement between Deltastock and the Client shall be resolved by mutual consent through negotiations between the parties.

Art. 17.2. The Client can file a complaint to Deltastock in one of the following ways:

- a) in writing in person at Deltastock’s office;
- 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/english/home/feedback.asp?t=6>.

Art. 17.3. 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 the document Client Complaints Management Rules of Deltastock.

The document is available on the Website and provides clear, accurate and up-to-date information about the process of complaints handling.

Art. 17.4. The unit for complaints management, which is responsible for handling of complaints is the Compliance Department, with an email address compliance@deltastock.com and telephone number +359 2 811 50 10.

Art. 17.5. Deltastock provides information related to the complaints handling process, including information regarding the policy for complaints management and also contact details of the unit for management of complaints by Clients and potential Clients, upon request or upon receiving a complaint. The information is available on the Website.

Art. 17.6. Without prejudice to the above, all disputes between Deltastock and a Client, which cannot be settled by the parties through negotiations, shall be referred for final resolution to the competent court in the Republic of Bulgaria.

Art. 17.7. If the complainant is not satisfied with Deltastock's response to their complaint, they are entitled to continue to protect their interests through:

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.

Art. 17.8. 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 remote provision of financial services in these sectors.

18. APPLICABLE LAW

18.1. All matters which are not regulated by these General Terms shall be governed by the Bulgarian law, unless another Applicable Law is stipulated hereunder or within the Agreement.



www.deltastock.com
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