

BENCHMARK FINANCE POLICY
FOR REGISTRATION OF TELEPHONE CALLS/CONVERSATIONS AND
MESSAGES AND OF CALLS/CONVERSATIONS AND MESSAGES VIA
ELECTRONIC METHODS OF COMMUNICATION

1. The policy of BenchMark Finance for registration of telephone calls/conversations and messages and of calls/conversations and messages through (via) electronic means of communication (the Policy) has been prepared/ drawn up in accordance with Art. 97 of the Markets for Financial Instruments Act (MFIA) and Art. 76 of Commission Delegated Regulation 2017/565 supplementing Directive 2014/65 / EU of the European Parliament and of the Council with regards to the organizational requirements and conditions for conducting business by investment intermediaries and for setting definitions to set up the definition for the purposes of the abovementioned Directive and is part of the internal documents of BenchMark Finance.

2. This Policy regulates the terms and conditions for registration and recording of telephone calls/conversations and messages and of calls/conversations and messages via electronic means, which relate to the conclusion of transactions for own account or to the acceptance, transmission and execution of client orders, regardless of whether the transaction is concluded.

3. BenchMark Finance prepares and stores records of all telephone calls/conversations and messages and of electronic calls/ conversations and messages related to the conclusion of transactions for its own account or to the provision of services related to the acceptance, transmission and execution of client orders, even if these conversations or messages do not result in transactions and / or execution of client orders. Telephone calls/conversations and messages and electronic calls/conversations and messages can be both with clients of the investment intermediary and/or between/among employees of BenchMark Finance.

4. Before providing investment services or activities related to the acceptance, transmission and execution of client orders, BenchMark Finance shall notify its clients that:

4.1 Telephone calls/conversations and messages and electronic calls/conversations and messages with them will be recorded;

4.2 The records will be available to clients upon request for a period of five years and when requested by the Financial Supervision Commission for a period not exceeding 7 years from their creation.

5. The obligation under item 4.1 shall be deemed to have been fulfilled when BenchMark Finance notifies the client once before the start of the provision of the investment services. BenchMark Finance may not perform investment services and activities related to the acceptance, transmission and execution of client orders by telephone or other electronic communication in case it has not fulfilled the requirement under item 4.1.

6. The information under item 4 shall be provided in Bulgarian and/or English.

7. The acceptance and initiation by BenchMark Finance of telephone calls/conversations and messages and of electronic calls/conversations and messages, related to the conclusion of transactions for own account or related to the acceptance, transmission and execution of orders of clients, are carried out by technical means and equipment designated for this purpose by the investment intermediary and made available in this connection to relevant employees or other persons working for it under contract .

8. It is inadmissible and prohibited to make telephone calls/conversations and communications and electronic calls/conversations and communications in connection with the provision of investment services or activities, relating to the acceptance , transmission and execution of client orders, even when such calls/conversations and messages or electronic communication may not lead to the conclusion of transactions and/or execution of client orders, through the use of technical means and apparatus/equipment (including personal phones, personal computer systems, tablets, etc.),

communication from which the investment intermediary is unable to record or copy, and which are different from those designated for that purpose.

9. BenchMark Finance keeps and updates on a regular basis a register of persons who have business or personal devices, e-mail addresses, etc., approved for use by the investment intermediary (Appendix № 1 to this Policy).

10. Where exceptional circumstances arise and BenchMark Finance is unable to register the relevant calls/conversation or message on the devices provided, accepted or authorized by the investment intermediary, the relevant employee or the person working for BenchMark Finance under contract who conducted the call/conversation or received the message, shall prepare a written report on the content of the conversation or message, the recipient, the duration of the conversation and the commitments undertaken, if any, by the employee. The report on the above circumstances shall be kept by BenchMark Finance for the period specified in paragraph 16 and shall be made available upon request to the FSC.

11. The Board of Directors of BenchMark Finance shall effectively supervise and supervise this policy and procedures relating to the recording of telephone calls/ conversations and messages and electronic calls/conversations and messages and may require demonstration of their functionality. The registration compliance mechanisms, applied by BenchMark Finance are technologically neutral. BenchMark Finance shall periodically assess the effectiveness of this policy and procedures relating to the recording of telephone calls/conversations and messages and electronic calls/conversation and messages and shall adopt alternative or additional measures, if necessary and where appropriate. As a minimum, such alternative or additional measures shall be adopted when BenchMark Finance accepts or allows the use of a new means of communication.

12. In order to monitor compliance with the requirements for registration (recording) of telephone calls and messages and electronic calls and messages, the Benchmark Mark Finance Regulatory Unit shall periodically monitor transactions and orders subject to registration (recording), including relevant conversations. This monitoring is based on the risks identified by BenchMark Finance and the risk profile of the clients, and is proportional to the services and activities offered.

13. BenchMark Finance registers/records on a durable device (media) any material information related to direct conversations with clients, held on site (on the spot) at the offices of BenchMark Finance with employees of the investment intermediary or other persons working for it under contract.

14. The registered information for the direct calls/conversations under item 13 shall contain at least the following information (Appendix № 2 to the Policy):

a) date and time of meetings;

b) place of meetings;

c) identification of participants;

d) initiator of the meetings;

e) relevant/significant information about the client's order, including price, volume, type of order and when it must be transmitted or executed.

15. Records created under this Policy shall be kept/stored on a durable device (media) allowing their reproduction or copying in a format which prevents the original record from being altered or deleted.

Records are stored so that they are easily accessible and available to clients on request. BenchMark Finance provides the quality, accuracy and completeness of the records of all telephone records and electronic communications.

16. The storage/ retention period of records and documents created under this policy shall start from the date on which they are created. They are kept by BenchMark Finance for a period of not less than 5 years from their creation. In accordance with the procedure laid down in Art. 276 of the Markets in Financial Instruments Act the Deputy Chair of the FSC may determine a longer period for storage (retention period) of documents and records, but not longer than 7 years from their creation.

17. BenchMark Finance trains its employees and other persons working for it under contract, on the current policy and the procedures, regulating/ governing the requirements under art. 16, para. 7 of MIFID II (Directive 2014/65 / EU) and Art. 76 of Commission Delegated Regulation 2017/565 (EU) 2017/565 of 25 April 2016 supplementing Directive 2014/65 / EU of the European Parliament and of the Council with regards to the organizational requirements and conditions for conducting business by investment intermediaries and for setting definitions for the purposes of that Directive.

FINAL PROVISIONS

18. The Board of Directors of BenchMark Finance reviews and evaluates, on a regular basis at least once a year by January 3, the compliance of this Policy with the services and activities performed by the investment intermediary, and in case of incompleteness and / or a need of improvement the internal organization, adopts amendments to the Policy. Notwithstanding the requirement of the previous sentence, the management body shall adopt amendments and supplements to this Policy upon finding the need to do so.

19. This Policy shall be made available for information and implementation to the members of the Board of Directors of the investment intermediary, as well as to all personnel working for it under contract. This policy is also applicable by tied agents appointed by the investment intermediary.

20. This policy was adopted by the Board of Directors of BenchMark Finance on 16.05.2018 and enters into force on the date of its adoption.

Annex No 1

Register of persons having business or proprietary devices, email addresses approved for use by the investment firm

Three names	Post/Position	Phone No. and equipment identification	E-mail and equipment identification	Another means of communication and equipment identification

Annex No 2

Register of direct conversations with clients

Date	Hour	Meeting place	Identification of participants		Initiator of the meeting	Relevant information about the client's order
			client	Employee		