

# General Information About EBH

Registered in the Commercial Register with the Registry Agency  
of the Republic of Bulgaria under UIN 123560824

**EBH**  
EUROPEAN BROKERAGE HOUSE

## General Provisions

### Article 1

1. According to the requirements of:

- 1.1. Art. 25 (6) of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU,
- 1.2. Art. 47 of Commission Delegated Regulation (EU) 2017/565 of 25 April 2016, supplementing Directive 2014/65/EU of the European Parliament and of the Council with regards to organisational requirements and operating conditions for investment firms and defined terms for the purposes of that Directive,
- 1.3. Art. 71, para 2 of the Markets in Financial Instruments Act (MFIA) and
- 1.4. Article 8, Para. 1, Subpara. 2, Art. 8, Para. 2, related to Art. 9, Para. 1 of ORDINANCE № 38 of 25 July 2007 on the requirements for the activity of investment intermediaries (Ordinance № 38),
- 1.5. the investment firm, EUROPEAN BROKERAGE HOUSE (EBH or the Company), in this document, provides to its clients and its potential clients general information about:
  - 1.5.1. The name, address and contact details of EBH to enable clients to maintain an effective relationship;
  - 1.5.2. EBH's license details, including a statement/declaration that it has obtained such a license, as well as the name and contact address of the competent authority that has issued the license;
  - 1.5.3. The languages, in which the client may communicate with EBH and receive documents and other information from the Company;
  - 1.5.4. The contact details to be used between EBH and the client, including, where applicable, the information for sending and receiving orders;
  - 1.5.5. Accountability and reports, provided by EBH to its clients;
  - 1.5.6. A brief description of the conflict of interest management policy;
  - 1.5.7. The financial instruments, products and services, offered by EBH, as well as the risks associated with them;
  - 1.5.8. A brief description of client protection measures;
  - 1.5.9. Client classification;
  - 1.5.10. Cost information.

## General Information for the Investment Intermediary

### Article 2

1. EBH, included in the Commercial Register of the Registry Agency under UIC № 123560824, with an office and address of management at City of Sofia 1303, Vazrazhdane district, № 33 Shar Planina Str. (floor 2, office 8), email: [info@ebhforex.com](mailto:info@ebhforex.com); Telephone: +359 24374073;
2. EBH is the holder of license № RG-03-197 / 31 March 2020, issued by the Financial Supervision Commission, the regulating body in the Republic of Bulgaria, with the address - Sofia 1000, № 16 Budapest Str., Telephone: 02 94 04 999, Fax: 02 829 43 24, e-mail: [bg\\_fsc@fsc.bg](mailto:bg_fsc@fsc.bg). The company is a licensed investment management Company within the meaning of the Financial Instruments Exchange Act to operate within the European Union and the European Economic Area, and the supervision of the Company's activities is carried out by the Financial Supervision Commission.
3. The license of EBH was issued on the grounds of Art. 13, Para. 1 of the Financial Supervision Commission Act and Art. 49, Para. 1 of Ordinance № 11 on the licenses to operate as a regulated market, for organising a multilateral trading system, for carrying out activities as an investment management Company, an investment Company, a management Company and a special investment purpose Company.

## Used Languages and Communication Methods

### Article 3

1. The following languages may be used by the client to communicate with EBH and receive documents and other information:
  - 1.1. Clients, who are Bulgarian citizens, may use the Bulgarian language for communication and correspondence;
  - 1.2. Foreign clients, who have sufficient command of written and spoken Bulgarian, may use the Bulgarian language for communication and correspondence; English in all other cases.
2. The communication between EBH and the Client shall take place:
  - 2.1. Personally or through a proxy of the client, having powers under an explicit power of attorney, issued in accordance with the requirements of the legislation in force;
  - 2.2. Through the website of EBH. When the information is provided to clients through EBH's website and is not addressed to a particular client, it must meet the following conditions:
    - 2.2.1. The provision of such information shall be appropriate in view of existing or future client relationships;
    - 2.2.2. The provision of such information shall be subject to the client's explicit agreement to this manner of providing information;
    - 2.2.3. The client shall be notified by e-mail of EBH's website address and the place on the web-

site, where such information can be found;

**2.2.4.** The information shall be up to date;

**2.2.5.** The information shall be continuously available on EBH's website for the standard time period required by clients to get acquainted with the information;

**2.2.6.** The applicable legislation allows the relevant information to be provided through EBH's website;

**2.3.** Through an electronic trading platform;

**2.4.** Through the exchange of information on a permanent data medium/carrier in the cases where, pursuant to Article 3 (1) of Delegated Regulation 2017/565, the provision of information on a permanent data medium is required, EBH shall provide such information on a permanent data medium other than paper, only if:

**2.4.1.** The provision of such information on such a data medium is appropriate for the context of the business activity, carried out between EBH and its Client; and

**2.4.2.** The person, to whom the information is provided, has been offered to choose between paper or another permanent data medium and has expressly selected to be provided the information on that other medium;

**2.5.** By telephone, provided it is in line with Ordinance № 38 and the existing legislation in force that the relevant information is provided by telephone;

**2.6.** By e-mail, by exchange of messages and documents, including documents, signed by a qualified electronic signature.

**3.** The provision of information by electronic means is considered appropriate in view of existing or future relations with clients if there is evidence that the client has regular access to the internet. It is considered that the client has regular access to the Internet if he provides an e-mail address for the needs of the established relations with EBH.

## Submission and Acceptance of Orders by EBH Clients

### Article 4

**1.** EBH may accept orders to enter into transactions in financial instruments in the following manner:

**1.1.** EBH may accept orders from clients through the electronic trading system that ensures compliance with the requirements of Ordinance № 38 and the applicable legislation and provides access to the client for a particular place of performance. The access to the system under the previous sentence and the placing of orders by the client shall be made on the web and by computer and/or mobile applications that provide reliable identification of the client.

**1.2.** EBH **refuses** to accept orders that do not meet the requirements under Art. 34, Para. 1 of Ordinance № 38 or submitted by a proxy, if the requirements of Ordinance № 38, Art. 34, Para. 4,

are not complied with.

- 1.3. EBH shall provide investment and additional services, including accepting orders for the account of clients, only on the basis of a contract concluded with them under Art. 82, para 1 of the MFIA.
2. EBH advises all potential and existing clients that the Company **does not accept** orders by telephone.
3. EBH executes Client orders at the following execution venues:
  - 3.1. As a single execution venue – acting as a market maker;
  - 3.2. Liquidity providers – acting as an intermediary and transmits Client orders to venues, with which EBH has contracts.

## Reporting Obligations and Confirmations for Orders, Executed by EBH

### Article 5

1. EBH shall confirm transactions and reports on services and activities to its clients, whereas the terms and conditions for such notices shall be consistent with the financial instruments and market rules of trading such instruments.
2. EBH shall immediately provide its clients with the essential information about the transaction made on the trading platform.
3. EBH shall provide the client, upon request, information on the status of the order and its execution.
4. EBH shall be entitled to provide the information, using standard codes, while observing the requirement to provide the client with explanations of the used codes.
5. When accepting client orders through the electronic trading system (platform), the confirmation of executed orders, respectively the information under this section, shall be provided to clients via the electronic system. EBH shall prepare and submit to the client a daily report on the transactions concluded by the client via the electronic trading platform if the relevant electronic trading platform does not allow for the submission of reports. Where no transactions have been concluded on the respective day, EBH may file no report.
6. If EBH holds client money or financial instruments, the Company shall provide the client with the following minimum content on a permanent data medium every three months, unless the content of this report is reflected in another periodic report to the client:
  - 6.1. Details of all financial instruments or funds, held by EBH for the client at the end of the period, covered by the report;
  - 6.2. An explicit reference to the assets or funds, which are subject to the rules of Directive 2014/65/EU and its implementing measures and those which are not, for example, subject to a financial collateral arrangement with a transfer of rights;

- 6.3. An explicit indication of the assets affected by certain property rights, for example - subject to a security interest.
7. The periodic statement of the client's assets under point 6 may be omitted when EBH provides its clients with access to an online system, meeting the criteria for a permanent data medium, if current reports on the financial instruments or funds of the client are readily available to the client and EBH has evidence that the client has accessed this report at least once during the relevant quarter.

## Services Provided by EBH

### Article 6

1. In line with its license, EBH offers the following services and activities:
  - 1.1. Acceptance and transmission of orders, relating to one or more financial instruments, including brokerage for transactions in financial instruments;
  - 1.2. Executing orders on behalf of clients;
  - 1.3. Transactions with financial instruments on EBH's account.
2. EBH shall offer its clients only trading in Contracts For Difference (CFD) on the over-the-counter market. Due to the specifics of these instruments, the client will not receive the physical delivery of either the instrument or its underlying asset.

## Short Description of the Policy of Handling Conflict of Interest at EBH

### Article 7

1. A conflict of interest is a situation that may arise in the course of carrying out activities by an investment management Company on the financial markets, where, in the event of relevant conditions, a risk may arise for the interest of a client of the investment management Company. The main conflict categories are the following:
  - 1.1. Between the interests of a client and the interests of the investment management Company, its employees, managers and related parties;
  - 1.2. Between the interests of one client and the interests of another client.
2. EBH directly controls the types of services it offers when there is a risk of conflict of interest, which would have the effect of damaging the client's interests.
3. A conflict of interest may arise in:
  - 3.1. The performance of assigned investment services that enable the investment management Company or its relevant persons to make a financial gain or avoid a financial loss on behalf of a

client;

- 3.2. The investment management Company or its relevant persons may have an interest in the performance of the assigned investment service;
  - 3.3. The investment management Company or its relevant persons may have an interest in favouring the interest of another client or group before that of the assigning client;
  - 3.4. There is competition between the activity of the investment management Company and the client;
  - 3.5. The existence of prerequisites, enabling the investment management Company or a relevant person to obtain from an entity, other than the assigning client, benefits in connection with the performance of the assigned service or amounts other than the standard remuneration for the provided service;
  - 3.6. Use of information received from the investment management Company that is not publicly disclosed;
  - 3.7. Other hypotheses outlined in the Conflict of Interest Management Policy of EBH.
4. The remuneration in the previous paragraph is not exhaustive, as other situations may arise in the practice of EBH, which could be classified as a conflict of interest and will be settled in accordance with the rules of EBH's Conflict of Interest Management Policy.
  5. Concerning Conflicts of Interest, EBH has developed and implements Conflict of Interest Management Policy, which is available on the Company's website: <http://ebhforex.com/legal-information/legal-documentation/>.

## Description of the Financial Instruments and the Risks Associated With Them

### Article 8

1. EBH is an investment management Company and professionally provides one or more investment services and/or performs one or more investment activities with financial instruments.
2. The subject of the investment services that EBH offers could be any financial instruments within the meaning of Art. 4 of the MFIA.
3. Detailed information about the financial instruments and the risks associated with them is available on the company's website in Characteristics and Risks of Financial Products, Offered by EBH.

## Description of Measures to Protect the Client's Financial Instruments and Money

### Article 9

1. EBH shall take all reasonable steps to protect its clients' ownership right over their assets.
2. EBH shall be obliged to ensure that its assets are kept separately from the assets owned by its clients.
3. EBH will not be responsible to its creditors with the financial means and financial instruments of its clients. No enforcement shall be possible on its clients' money and financial instruments on account of the obligations of EBH.
4. EBH will not use the financial instruments of its clients for its own benefit, for the benefit of its other clients or for the benefit of any other person without the explicit consent of the respective client and under the conditions regulated by European and Bulgarian legislation.
5. EBH will not use client money for its own benefit, except with the explicit consent of the respective client.
6. EBH informs its clients that a potential interest, right of detention or right of set-off may arise, which the Company has or may have in respect to the client's funds or any right of set-off, which it has in relation to these instruments or means. Where a depository institution has a secure interest or right of detention or a right of set-off in respect of client funds, the latter should notify the client.
7. EBH shall be obliged to deposit the funds of its clients with:
  - 7.1. the Central Bank;
  - 7.2. a credit institution licensed to operate under the Law on Credit Institutions, respectively, as required by Directive 2013/36/EU;
  - 7.3. a credit institution, authorised in a third state;
  - 7.4. a qualified money market fund.
8. Where the credit institution under art. 9, p. 7.2 and 7.3 carries out business on the territory of the Republic of Bulgaria, EBH shall keep the clients' money in individual client accounts or in client accounts within the account of the investment management Company.
9. EBH also undertakes the necessary measures to ensure that client funds are kept in separate accounts or in the account of clients separately from the funds of the Company. The agreement, signed between EBH and the entity under p. 7 above must explicitly specify that the client funds will be held in an account and that these funds will not be subject to any infringement or detention on account of the Company's liabilities.
10. More information on the existing investor compensation scheme and client asset protection measures is available in the document: Client Assets protection and Investor Compensation.



## Client Classification

### Article 10

1. Before entering into an agreement with a client or otherwise starting a relationship with a client, EBH should categorise the client by applying the criteria set out in the Markets in Financial Instruments Act (MFIA) and the Company's policy of categorising clients as professional or non-professional in order to protect and exercise the rights of the clients, specified in the MFIA, Ordinance No 38, Directive 2014/65/EU, Delegated Regulation (EU) 2017/565 and other applicable regulatory and corporate acts.
2. EBH shall notify the client of his categorisation for his relationship with EBH - an eligible counterparty, a professional or a retail client, including the criteria, under which the categorisation was made.
3. EBH shall notify all of its clients of the possibility, either on their own initiative or on the initiative of EBH, to define them as professional or retail clients or as an eligible counterparty.
4. The conditions under which a client is categorised as professional or retail are the criteria set out in Annex II of Directive 2014/65/EU, the Annex to § 1 (10) of the Additional Provisions of the Markets in Financial Instruments Act and the Client Categorisation Policy of EBH, available on the Company's website.

## Information on Costs and Expenses

### Article 11

1. EBH shall provide financial services on the basis of an agreement with the client, which contains information about the fundamental rights and obligations of the client and EBH. The Agreement and the applicable terms are available on the Company's website.
2. EBH shall receive remuneration from the client for the investment services performed in accordance with the tariff of the company, available on its website. EBH offers its clients trading in Contracts For Difference (CFD) on the OTC market only, as a market maker or an intermediary between the client and the execution venues with which EBH has any contractual agreements. In this respect, EBH:
  - 2.1. shall not apply different fees, depending on the execution venue of client orders;
  - 2.2. will not receive any payments, incentives, rewards, rebates or non-monetary benefits from third parties in connection with the transmission of orders to a specific execution venue.
3. Information on the total amount of costs and expenses, paid by the client for each class of financial instruments, offered by EBH and their impact on the return of investments in the different market scenarios is available in the Key Information Documents, which can be accessed at <https://ebhforex.com/legal-information/key-information-documents-kids/>.
4. Other costs and expenses may be applicable, as incurred by the client in relation to the investment services provided, such as taxes and charges, which are not charged or determined by EBH and are not paid to EBH. The payment of such additional costs and expenses shall be the responsibility and obligation of the client.

## Final Provisions

1. This document is part of the internal rules of EBH.
2. This document has been approved by the decision of the managers of EUROPEAN BROKERAGE HOUSE of 15.05.2020.



**EUROPEAN BROKERAGE HOUSE OOD**

Sofia 1303, Bulgaria, Vazrazhdane District, 33

Shar Planina Str., fl. 2, office 8

web: [www.ebhforex.com](http://www.ebhforex.com)

email: [info@ebhforex.com](mailto:info@ebhforex.com)