

**JOINT STOCK COMPANY
“AIFP BALTIC ASSET MANAGEMENT”**

**THE PROCEDURE FOR REVIEWING APPLICATIONS AND COMPLAINTS
(DISPUTES)**

1. PURPOSE AND APPLICATION

1.1. The procedure for reviewing applications and complaints (hereinafter - the Procedure) determines the procedure for receiving, registering, reviewing and summarizing applications and complaints, as well as the order of preparing and submitting replies at the Joint Stock Company "AIFP Baltic Asset Management" (hereinafter - the Company). The procedure is used to provide the operation of clear processes in the company's communication with the customers and the potential customers.

1.2. The Company Chairman of the Board is responsible for the application and control of

this procedure in the company's work. Applications and complaints that are at the disposal of the company are compiled, systematized and analysed by the person performing the customer consulting function at the Company in accordance with the Company's Organizational Structure (hereinafter - the responsible employee). In the reviewing of applications and complaints the responsible employee follows the requirements of this procedure.

2. USED TERMS AND ABBREVIATIONS

2.1. Service - the management service or ancillary service provided by the Company within the meaning of the Law on Alternative Investment Funds and their Managers.

2.2. Customer - person, who has acquired or wishes to acquire shares of alternative investment funds managed by the Company.

2.3. Complaint - application submitted to the Company regarding dissatisfaction with the provided service.

2.4. Application - a written notice / request submitted by the Customer to the Company, the purpose of which is to achieve a certain action / withdrawal of the Company referring to the specific Customer regarding the Company Service.

3. RECEIPT AND REVIEWING OF THE APPLICATIONS AND COMPLAINTS

3.1. The submission of Applications and Complaints to the Company:

3.1.1. Applications and Complaints may be submitted to the Company by the Customers of the Company. Applications and Complaints may be submitted in the following forms:

3.1.1.1. in writing - in person, by mail, by e-mail or by fax;

3.1.1.2. orally - by phone or in person.

3.2. The Application or Complaint may be submitted in writing by mailing it to the following address: 5-16 Vīlandes Street, Riga, LV-1010, or by e-mail to: aifpbaltic@gmail.com.

3.3. Registration of applications and complaints:

3.3.1. If the Application or Complaint is submitted in writing, the responsible employee of the Company registers it in a specially created list and later stores it in the appropriate folder (if the Application or Complaint is sent by e-mail, it is printed), where Complaints or Applications in paper format are stored.

3.3.2. If the Application or Complaint is submitted to the Company orally, the responsible employee of the Company notes down and prints the Application or Complaint, as well as registers it in the register of Applications and Complaints. The Application or Complaint is then printed and stored in a folder created for such purpose.

3.4. When submitting the Application or Complaint, the Customer must provide in it:

3.4.1. the addressee (the Company);

3.4.2. the name, surname, personal identification code and place of residence, if the Customer is a natural person;

3.4.3. the name, registration number, registered office, if the Customer is a legal entity;

3.4.4. the subject, essence and claim of the Application or Complaint;

3.4.5. the date and place of preparing the Application or Complaint;

3.4.6. personal signature of the submitter of the Application or Complaint or its representative and the documents attached thereto, which substantiate the essence of the Application or Complaint (if any);

3.4.7. contact information (phone number, e-mail address, postal address).

3.5. If the Application or Complaint is submitted to the Company orally, the initially taken actions (corrective and preventive actions taken to, for example, eliminate a certain problem) are also provided within the registration process of the Application or Complaint, when reacting to the Application or Complaint submitted by the Customer or another person. If it is not possible to respond to the Applications or Complaints received by phone, the Customer is advised to submit the Complaint in writing.

3.6. The Company registers Applications or Complaints received from the Customers in the appropriate register, providing the following information:

3.6.1. the date of receipt of the Application or Complaint and the date of sending the reply;

3.6.2. information on the submitter of the Application or Claim;

3.6.3. the essence of the Application or Complaint;

3.6.4. information on the actions taken to review and to resolve the issues provided in the Application or Complaint (including whether the Application or Complaint is substantiated or unsubstantiated, as well as a description of the further actions of the Company after reviewing the Application or Complaint).

3.7. Reviewing and analysis of the Applications and Complaints:

3.7.1. After receiving and registering the Application or Complaint, the Application or Complaint is reviewed and analysed.

3.7.2. The reviewing and analyses of the Application or Complaint is performed by the Company Board.

3.7.3. The Board analyses, whether the Application or Complaint is substantiated.

3.7.4. Applications and Complaints, the authors of which are anonymous, are reviewed and, if necessary, appropriate actions are taken.

3.7.5. If on the basis of the Customer's Application / Complaint a problem is identified that needs to be resolved immediately, the Company Board instructs the person responsible for the relevant function to implement the necessary actions to promptly eliminate the problem.

3.7.6. In the process of reviewing and analysing Applications and Complaints, the Company Board groups the received Applications and Complaints as follows:

3.7.6.1. the opinions of the Customers, correspondence that is not related to operational inconsistencies and risks (subjective dislikes or wishes of the Customers, for example, working hours, range of services provided, various suggestions of the Customers - the Company does not promise to fulfil such wishes);

3.7.6.2. Complaints related to operational inconsistencies, risks and deficiencies in the Company's work or service; Complaints that meet the definition of operational risk; substantiated Complaints - an error has been made or the standard has been lowered in the Company's operations; for example, the Customer complains about the service, decisions;

3.7.6.3. unsubstantiated Complaints - for example, the Customer has not read or understood the information provided to him/her (terms of agreements, operating prospectus, etc.).

3.8. At the end of each calendar quarter the Company Board compiles information on the Applications and Complaints received during the period in order to determine the general trends in the Applications and to prepare recommendations for the improvement of the Company operations accordingly.

3.9. The Company operations are supervised by the Financial and Capital Market Commission, 1 Kungu Street, Riga, LV-1050.

4. ACTION FOLLOWING THE RECEIPT AND REVIEWING OF THE APPLICATION OR COMPLAINT

4.1. Adopting of decisions regarding Applications and Complaints:

4.1.1. After the responsible employee informs the Company Board about the Application or Complaint, the Company Board reviews the Application / Complaint.

4.1.2. It is decided, what the necessary actions are or what should be done to solve the problem stated in the Application / Complaint.

4.2. Provision of replies to the Applications and Complaints:

4.2.1. A written reply must be provided to the submitter of the Application or Complaint within 30 days from the receipt of the Application or Complaint. If due to objective reasons the deadline of 30 calendar days cannot be met, the applicant must be informed thereof.

4.2.2. The Company must review an Application or Complaint submitted by a customer, who is a consumer within the meaning of the regulatory

enactments of the Republic of Latvia and must provide a reply thereto within 10 days from the date of receipt of the Application or Complaint. If due to objective reasons this time limit cannot be met, the applicant must be informed thereof.

4.3. If the Company requires a longer term for reviewing the received Application or Complaint and providing a reply than the deadlines mentioned above in this section, or if the Company needs additional information for objective review of the Application or Complaint, the Company informs the Customer thereof in writing no later than 10 days from the day of receipt of the Application or Complaint, informing about the reasons for the delay and indicating the planned term for providing a reply.

4.4. If the Company has requested additional information from the submitter of the Application or Complaint, which is required

for objective examination of the Application or Complaint, the term for providing the reply is calculated from the day, when the Company has received the information requested from the submitter of the Application or Complaint.

4.5. Preparing, verification and approval of the final version of the reply:

4.5.1. Replies to the submitters of the Applications and Complaints are prepared and signed by the Chairman of the Company Board.

4.5.2. The replies are coordinated with the Company Board.

4.5.3. It is assessed, whether the reply needs to be agreed with the provider of the legal function before sending it, and if so, before sending the reply, it is sent to the legal function, where the reply is verified. If

necessary, the text of the reply may be adjusted on the basis of the recommendations provided by the provider of legal function, according to which the final version of the reply is prepared.

4.6. Sending of the reply:

4.6.1. The reply is sent to the submitter of the Application or Complaint using the contact information provided.

4.6.2. The reply may be handed over to the submitter of the Application or Complaint in person, it may be sent to the submitter by mail or using electronic communication channels (e-mail, fax).

5. ELIMINATION OF THE CAUSES OF COMPLAINTS AND IMPROVING THE COMPANY OPERATIONS

5.1. Criteria according to which the need to address the root causes of complaints is assessed:

5.1.1. The Complaint refers to the Customer's requirement, which the Company has undertaken to provide to the Customer and which does not contradict the rules, pricelists and agreements existing in the Company.

5.1.2. The Complaint is not an episodic coincidence and there is a sufficiently high probability that it will recur.

5.1.3. Losses incurred as a result of Customer's dissatisfaction (including publicity losses) are

potentially higher than the expenses for eliminating the causes of the Complaint.

5.1.4. The Company has the competence and resources to address the causes of the Complaint.

5.2. Elimination of the causes of the complaint must be proposed, if all 4 of the above mentioned criteria are met.

5.3. If according to these criteria it is not possible to adopt a convincing decision on the elimination of the causes of the Complaint, the decision is adopted by the Company Board.