

Key Information Document

Purpose

This document provides you with key information about the product. It is not a promotional material but intends to inform you of the nature of the product, of the risks, costs and potential profit or loss associated with it, and to enable you to compare it with other products.

Product

Product name: „GOLD PORTFOLIO“ term product

Product offered by: First Investment Bank AD („Fibank“, „THE BANK“), having its registered address at: 1784 Sofia, 111P Tsarigradsko shose Blvd., a credit institution with universal license to carry out banking activities on the territory of the Republic of Bulgaria and abroad No. RD22-2257/16.11.2009, issued by the Bulgarian National Bank (BNB) which supervises the activity.

Date of the document: 15.09.2021

I. What kind of product is this?

Type: „Gold Portfolio“ term product

Purpose: “Gold Portfolio” is a product whereby First Investment Bank AD undertakes, upon maturity, to repay at least the full amount provided by THE CUSTOMER under the Agreement. The Provided Amount is managed by THE BANK, which invests up to 10% of that amount in gold. On the Maturity Date, THE CUSTOMER receives in full the Provided Amount under the Agreement and may also receive a Yield depending on the price of gold for the period of the Agreement.

The Yield of the product is tied to the price of gold.

THE BANK does not guarantee to THE CUSTOMER any positive result (profit) from the management of the product.

Product details

- **Term:** 24 months;
- **Minimum amount:** EUR 50,000;
- **Maximum amount:** No limit (up to program capacity);
- **Yield:** If the price of gold increases by 10% or more for the period of the Agreement, on the Maturity Date THE BANK pays back the principal + 0,50% annual yield on the Provided Amount. If the price of gold increases by less than 10%, or if that price falls or remains unchanged for the period of the Agreement, on the Maturity Date THE BANK pays back only the principal (the Provided Amount);
- **Payment of principal and Yield:** on the Maturity Date;
- **Subsequent increasing of the Provided Amount:** Not allowed;
- **Early termination/withdrawal of funds:** Not allowed;
- **Fees and commissions:** According to the Tariff of fees and commissions. No opening fee.

The financial instruments constituting the portfolio are the property of THE BANK. THE CUSTOMER does not acquire shares or rights to the financial instruments included in the portfolio.

THE CUSTOMER's funds are transferred into an account opened in the name of THE BANK, but individual for each customer.

For the term of the Agreement, THE CUSTOMER needs to maintain an open current account at THE BANK, to which the Yield and the principal are paid. See item „IV What are the costs?“

The amount of the Yield does not depend on the credit rating of THE BANK.

The Provided Amount and the Yield are not subject to early repayment before the agreed Maturity Date, except in the following two cases:

- THE BANK may choose, at its discretion, upon refusal by the Bulgarian National Bank or the relevant competent authority to recognize the Provided Amount as eligible liability within the meaning of Art. 72b of Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012, to unilaterally terminate this Agreement; and
- if the Bulgarian National Bank has given prior permission after the conditions have been met under Art. 77 and Art. 78a of Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012.

THE BANK publishes daily the price of gold, announced by the Bulgarian National Bank, at www.fibank.bg.

The product is suitable for customers that: (i) can hold the product for the agreed term; (ii) have the required knowledge and/or experience with such instruments; (iii) are aware that the product does not guarantee interest; (iv) are prepared to bear the costs upon the occurrence of an event under Article 48 of Directive 2014/59/EU, the provisions of which are transposed into Bulgarian legislation by Article 75 of the Law on recovery and resolution of credit institutions and investment firms.

II. What are the risks and what return could I expect?

Risk indicator



The risk indicator is based on the assumption that you will hold the product to maturity. Early termination is not allowed and you cannot withdraw from the product before the agreed Maturity Date.

The summary risk indicator informs you about the level of risk of this product compared to other products. It indicates the likelihood of monetary loss on this product as a result of the market dynamics or of THE BANK's inability to pay you. We have assigned this product a risk category 4 out of 7, i.e. medium risk. This means that THE CUSTOMER's potential loss from the future performance of the product is rated as 'average' and adverse market conditions are unlikely to affect our ability to pay you. You are entitled to get back at least 100% of your funds. Additional returns depend on portfolio performance. If First Investment Bank AD is unable to pay you back, you may lose your funds in full.

It is important to take into account the following:

- THE CUSTOMER's receivables from THE BANK are not secured, nor are they subject to a guarantee or any other arrangement that enhances their seniority, respectively the Provided Amount is not guaranteed by the Bulgarian Deposit Insurance Fund or the Investor Compensation Fund.
- In the event that, after the date of the Agreement, the Bulgarian National Bank revokes THE BANK's license to carry out banking activities pursuant to Art. 36, para. 2 of the Law on Credit Institutions and/or bankruptcy proceedings are opened against THE BANK, or the BANK becomes subject to resolution and recovery measures,

any of these circumstances may prevent THE BANK from fulfilling its obligations to THE CUSTOMER.

- In the event of bankruptcy proceedings against THE BANK, the claim on the principal of the Provided Amount will be wholly subordinated to claims arising from the excluded liabilities referred to in Article 72a, paragraph 2 of Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012. For the avoidance of doubt, the claims on the principal of the Provided Amount are not secured, nor are they subject to a guarantee or any other arrangement increasing their seniority.
- The Provided Amount and the Yield due to THE CUSTOMER may be used by the Bulgarian National Bank or the relevant competent authority as bail-in tool in case the financial condition of THE BANK deteriorates. THE CUSTOMER should be aware of the possible exercise of the powers of the Bulgarian National Bank or the relevant competent authority for writing down or conversion in accordance with Article 48 of Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No 1093/2010 and (EU) No 648/2012, of the European Parliament and of the Council, the provisions of which are transposed into the Bulgarian legislation by Article 75 of the Law on recovery and resolution of credit institutions and investment firms, as well as be aware of the consequences thereof, which may have a significant effect on the overall activity of THE BANK and lead to the total loss by THE CUSTOMER of the Provided Amount and the Yield.

III. What happens if THE BANK is unable to pay?

By entering into contractual relations with First Investment Bank AD, you take on the risk that it may become bankrupt (insolvent or over-indebted) or become subject to restructuring and recovery measures,

which may prevent THE BANK from fulfilling its obligations towards you.

IV. What are the costs?

The amount of the Yield received by THE CUSTOMER (if any) is subject to taxation in accordance with the current legislation. When THE CUSTOMER is a local natural person, taxation is carried out under the Personal Income Tax Act (PITA).

Complete information regarding the opening and maintenance of bank accounts and the use of services related to them is contained in the Tariff of fees and commissions and the Bulletin of interest rates applied by First Investment Bank AD to bank accounts in national and foreign currency.

V. How can I file a complaint?

Customers may file written complaints in person, at any office of Fibank, as well as electronically, following the Procedure for

filing customer complaints announced on THE BANK's website at www.fibank.bg.

VI. Other useful information

The information contained in this Key Information Document does not constitute a recommendation to buy or sell the product.

This Key Information Document is public and its current version is available at: www.fibank.bg.

Customer:

Date: