

Policy of the Hungarian State Treasury on the Complaints and Whistleblowings about its Investment Service Activities

The Hungarian State Treasury (hereinafter referred to as: Distributor) proceeds in compliance with the provisions of the legislation in force when dealing with the complaints and whistleblowing of clients. The tasks related to the management of complaints about investment service and ancillary services, to the management of whistleblowings and to the procedure of complainant management are included in this Complaints Management Policy (hereinafter referred to as: Policy).

During the management, investigation and evaluation of complaints and whistleblowings and the due procedure of complainants, it comprehensively registers and manages the applications received by the Distributor. It also attaches importance to the consideration of opinions and remarks concerning the activity of the Distributor that cannot be qualified as complaints or whistleblowings.

In the Distributor's procedure for complaints and whistleblowings, the following regulations apply:

- Act XXV of 2023 on Complaints and Public Interest Disclosure and Rules Related to Reporting Misconduct
- Act CXII of 2011 on Informational Self-determination and Freedom of Information (hereinafter referred to as: Info Act)
- Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of individuals 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)

For the activities of the Distributor that are related to the complaint management of its investment service and ancillary services, the provisions of Section 121 of Act CXXXVIII of 2007 on Investment Firms and Commodity Dealers and on the Regulations Governing their Activities (hereinafter referred to as: ISA), – in consideration of Section 3(4) of the ISA – shall not apply, although the provisions of the ISA are taken into account and used accordingly during the complaint management.

1. Complaint and whistleblowing

A complaint is a request which aims at the termination of a private wrong or a conflict of interest, whose settlement does not come under the ruling of any other procedure – especially of the court or state administration. The complaint might include a recommendation, as well.

On the basis of all this, a complaint is a request or objection about the Distributor's activity falling within the ISA where the complainant has an objection against a process of an investment service or ancillary investment service (hereinafter referred to as: Service), and formulates a claim on the execution of an act by the Distributor or asks for information.

Applications with the subject of “complaint” or “submission of a claim” are to be dealt with as claims if they unambiguously meet the criteria of qualification. Furthermore, applications whose content matches the criteria of complaints, as well as client complaints submitted orally (personally, via telephone), in a written form (personally submitted, by post, in electronic mail)

or client complaints submitted on the webpage or recorded in a written form are regarded as claims.

The application is qualified as a complaint and investigated based on its content and not on its name.

Based on their content, applications about the quality, content and administration of the Distributor's Service, the tone of the administrator, the non-observation of a deadline, the execution of a measure different from the client's instruction, unlawful performance, omission or the performed individual process are regarded as claims. Applications about the IT system that report a technical problem of the operation or availability of the system, for example the slowing down or breakdown of the system cannot be regarded as claims.

If it is proved that a case – despite its subject or the expressions referring to a complaint – is not a complaint, rather an application for legal remedy or an application falling within judicial or administrative procedure, the case shall be managed in compliance with the provisions of the ACT of General Administrative Order of 2016 CL. This shall be communicated to the submitting person immediately after the conclusion by using the chosen channel for the reply, and the reply shall be documented.

If the Distributor is not authorized for the judgment of the complaint or whistleblowing, the complaint shall be placed to a competent authority within 8 days, and the complainant shall be informed at the same time.

If the client asks for general information, opinion or resolution from the Distributor, it is not qualified as complaint.

A whistleblowing draws attention to a circumstance whose correction or termination serves the interest of the community or the whole society. The whistleblowing might include a recommendation, as well.

2. The complainant

A complainant is a natural person, legal person or an unincorporated organization that uses the investment services of the Distributor, receives information about the services or that is a representative or proxy of any of them. A complainant is usually the client of the Distributor, although a complainant may also be a natural person, legal person or unincorporated organization who does not complaint about the provision of a specific investment service but has an objection against another activity related to the service (e.g. advertisement, notice etc.).

A complaint may also be submitted by a proxy, representative; the representative shall prove the eligibility for the submission to the Distributor. Besides the data of the complainant that is necessary for the application, the submitted complaint shall also contain the necessary data of the – legal or authorized – representative, and the official documents and private documents of full probative value about the birth name, mother's name and the identity card number, as well as the eligibility for representation in the case of authorized representation must be attached.

If the representative does not properly legitimate his eligibility for representation, the investigation of the complaint may be omitted.

3. Procedure for complaints and whistleblowings

Ways of submitting a complaint about the service of the Distributor:

Written complaint and whistleblowing

- To the mailing address of the Distributor's center: Hungarian State Treasury, 1909 Budapest;
- At the Distributor's customer service offices engaged in distribution of government securities, to the addresses given in the Appendices No. 1 of the Terms of Business for Investment Services (hereinafter referred to as: Terms of Business);
- electronically to the ertekpapierinfo@allamkinostar.gov.hu e-mail address, or, to the e-mail addresses of the Distributor's customer service offices engaged in distribution of government securities given in Appendices No. 1 of the Terms of Business.

Oral complaint and whistleblowing

- On telephone, on the telephone number of the Central Customer Service Office: **1811**
- In the case of personal attendance orally (by signing the protocol of the complaint registered by the Distributor) at the Distributor's customer service offices engaged in distribution of government securities, in the opening hours.

Whistleblowings may also be submitted in the secure electronic system operated by the Commissioner for Fundamental Rights.

4. Necessary data for the submission and management of complaints and whistleblowings

The Distributor is entitled to ask for data which is necessary for the appropriate management, investigation and settlement of the case, for data proving the eligibility of representation and for data corresponding to the nature of the complaint.

Depending on the content of the complaint or the whistleblowing, the Distributor may ask for supplementary data about the grievance, exclusively for the purpose of dealing with the complaint on the merits.

During the procedure, the data sent in for the identification of the client or the proxy are managed by the Distributor in compliance with the data protection regulations, and they are not used for purposes other than the settlement of the complaint.

If the oral complaint cannot be remedied then and there, an employee of the Distributor makes a record of what was said by the client, and gives one copy of it to the client. The protocol must contain the following data:

- name and contact information (address, telephone number, e-mail address) of the client;
- number of the concerned securities holding account of the client, if the case concerns his account;
- date, place, method for the submission of the complaint, its detailed description;
- the client's claim on compensation or settlements, if the complaint concerns this issue;
- list of the possibly presented papers, documents and other evidences, as well as their attached original versions or the certified copy of the original documents;

- signature of the complainant, if he is a client of the Treasury, then it must be the registered signature;
- signature of the persons eligible for representing the Distributor;
- reference number identifying the complaint.

During the TeleKincstár service the complainant shall be informed that the call is recorded, moreover, the copy of the protocol written about the complaint shall be sent to him within 2 working days.

The Distributor calls their clients' attention to the fact that the administrator never asks for the clients' password for TeleKincstár, WebKincstár or MobilKincstár during the complaint management, neither in person, in writing by post or electronically, nor via telephone or SMS. The Distributor is not liable for the damage caused to its client that originates from sharing his password with the administrator of the Distributor while submitting the complaint personally, via telephone, SMS, in writing by post or electronically.

The password may be given exclusively to the automated telephone system of TeleKincstár for client identification purposes, for client identification purposes on the website of the WebKincstár service and for client identification purposes in the MobilKincstár application. The password must not be disclosed to the Distributor's administrator. The password may not be disclosed to the Distributor's administrator.

5. Registration of the complaints and whistleblowings

The competent State Treasury Office immediately registers every complaint and whistleblowing that is submitted to one of the Distributor's customer service offices engaged in distribution of government securities if the complaint arrives personally, by post or electronically.

Applications about the distribution of securities that arrive to the central mailing address of the Distributor are managed by the Government Securities Distribution Department, while applications submitted on the Internet, to the ertekpapierinfo@allamkincstar.gov.hu e-mail address or via TeleKincstár are registered by the Central Customer Service Office, and sends a written note to the concerned State Treasury Office or the competent organizational unit of the Distributor.

The records shall contain every complaint and whistleblowing in the chronological order of their arrival to the Distributor, regardless of the means of communication used.

Complaints and whistleblowings that are not sent by post are printed by the State Treasury Office and – if it arrived in an unprintable form – prepares an extract with the substantial elements of the complaint or the whistleblowing.

Every registered complaint and whistleblowing shall be provided with the reference number from the related records, and this reference number shall be disclosed to the complainant.

6. Investigation of the complaint and the whistleblowing

The investigation of the complaint or the whistleblowing shall – if possible – be immediately remedied by the institutional unit concerned by the contested measure or information.

The complaint and the whistleblowing shall be investigated within 30 calendar days, in the case of a complaint concerning personal data and the processing of personal data shall be investigated 25 calendar days after its arrival, and the result shall be communicated to the complainant or whistleblower in the form specified by him. If it is justified, the deadline to reply may be postponed (asking for further data, collecting documentation, owing to the complexity of the case). The Distributor shall inform the complainant and the whistleblower about the expected deadline for processing, and at the same time gives the reasons for the postponement of the procedure.

The investigation of the complaint may be omitted, if the date of the submission of complaint exceeds 6 months from the time when the complainant became aware of the complained activity or default, or if the same complainant submitted a repeated complaint with the same content as a previous one. Complaints submitted more than 1 year after the occurrence of the complained act or negligence are rejected by the Distributor without an investigation on the merits of the case.

Unless the complaint is based on material violation of rights or conflict of interest, the Distributor omits the investigation of complaints made by unidentifiable persons.

If the complaint or the whistleblowing proves to be well-grounded, the following measures shall be taken:

- a) restoration of a lawful situation that complies with public interest, or taking other necessary measures;
- b) abolishment of the reasons for the investigated error;
- c) redressing the grievances caused, and
- d) initiating an impeachment if it is justified.

7. Informing about the decision

In its reply to the complainant, the Distributor shall give the reasons for its decision on the merits; if the reply refers to the law, the reference shall be supplemented with the description of its substantial provisions.

The complainant shall be informed by the Distributor about the possible legal redresses if he does not accept the reply and measure of the Distributor; Distributor shall also inform complainant about the possibility of conciliation or mediation if the complaint is rejected, and shall indicate the name and contact information of the competent organization.

If the complainant does not accept the response from the County Directorate conducting the investigation, they have the option to escalate the matter to the Distributor's Government Securities Distribution Department..

Government Securities Distribution Department Contact Information:
1051 Budapest, Hold utca 4.
aff.kozpont@allamkincstar.gov.hu

If the complainant does not accept the response from the Government Securities Distribution Department, they have the option to escalate the matter to the Ministry of Finance, which is responsible for overseeing the Distributor.

Customer Service and mailing address of the Ministry of Finance:

H-1051 Budapest, József nádor tér 2-4.

1369 Budapest, Pf.: 481.

ugyfelszolgalat@pm.gov.hu

8. Retention of documents related to the complaint

In compliance with the legislation in force, the Distributor shall retain the complaint and the related reply for five years. In case of complaint management by telephone, the telephone communication between the Distributor and the client is recorded (voice recording) and retained for five years by the Distributor.

9. Analysis of the complainants

The Distributor reviews the received complaints regularly, and assesses the replies to the complaints in order to modify its activity regularly and prevent and reduce complaints.

10. Special rules for the procedure of the Distributor's intermediaries and sub-agents

If the complainant uses the distribution services of the Distributor through an intermediary or sub-agent used by the Distributor, he may also submit his complaint through the intermediary or sub-agent used by him.

The investigation of the complaint shall be investigated jointly by the Distributor and the relevant intermediary or sub-agent, the results of which shall be communicated to the complainant in writing. Depending on the nature of the complaint, the Distributor, the intermediary and the sub-agent are also entitled to respond to the complaint.

The Distributor assumes full responsibility towards the customer for the damage caused to the customer by the intermediary or sub-agent used by the Distributor.

The general provisions of these Regulations shall otherwise govern the handling of complaints.

Effective from 8th January 2024.

Hungarian State Treasury