

CUSTOMER PROTECTION REGULATIONS

**JB CAPITAL MARKETS,
SOCIEDAD DE VALORES, S.A.**

PREAMBLE

- 1.1 Article 29 of Law 44/2002 of 22 November regarding measures to reform the financial system (hereinafter, the “**Finance Law**”) establishes that financial institutions must attend to and resolve any complaints and claims that are submitted by their customers in relation to their legitimately recognised rights and interests. The Finance Law states to this purpose that financial institutions must set up a customer service department or division.
- 1.2 Ministry of Finance Order ECO/734/2004 of 11 March 2004 on customer service departments and divisions and the client ombudsman in financial institutions (hereinafter, the “**Order**”) regulates the requirements and procedures that must be met by customer service departments and divisions under the authority granted in Article 31 of the Finance Law. In particular, Article 8 of the Order sets forth that institutions subject to the Order must approve a set of customer protection regulations to govern the activities of the customer service department or division.
- 1.3 Article 2 of the Order sets out which types of institutions shall be subject to the provisions of the Order. These include investment service companies.
- 1.4 In light of the foregoing points and in compliance with the Order, as an investment services company, JB CAPITAL MARKETS, SOCIEDAD DE VALORES, S.A. (hereinafter, the “**Company**”) has decided to adopt the following set of customer protection regulations (hereinafter, the “**Regulations**”), the purpose of which are to establish the customer service system and the system for resolving any complaints or claims submitted by clients of the Company.

CHAPTER I

GENERAL

Article 1 - Purpose

The purpose of these Regulations is to regulate the structure, procedures and system of conduct of the Company's customer service department (hereinafter, the "**Customer Service Department**" or the "**Department**").

Article 2 – Customer Service Department

1. The purpose of the Company's Customer Service Department, created by means of a resolution of the Board of Directors of the Company, is to attend to and resolve any complaints and claims submitted by customers of the Company in accordance with the procedures set forth in these Regulations.
2. The Department shall be responsible for managing the cases and resolving any complaints and claims submitted by any physical or legal persons, Spanish or foreign, provided that they are users of the Company's financial services and provided that the complaints and claims are in reference to legally recognised rights and interests.

Article 3 - Characteristics of the Customer Service Department

Decision-making in relation to the activities of the Customer Service Department shall be independent from the rest of the Company in order to avoid potential conflicts of interest. This being the case, the Department shall have the following characteristics:

- (a) The Department shall be separate from the organisation's remaining sales and operational services.
- (b) The principles of speed, security, efficiency and coordination shall apply to the transmission of any information that the Department requests from other services of the Company. To this end, requests for information from the Company's other services shall be subject to the following procedures:
 - (i) The Head of the Department, as defined in the following articles, shall send the request for information to the service in question either on paper or electronically. The request must clearly state the reason for the request and the specific information requested. If the request is submitted on paper, it should be sent in a closed envelope via interoffice mail.
 - (ii) The receiving service shall have five (5) business days to respond after receiving the initial request. The response may be sent on paper or electronically and shall include the required information.

- (iii) The Head of the Department may ask for any clarifications that he or she deems necessary. The receiving service shall have two (2) business days to respond to such a request. The aforementioned deadlines may be extended by the Head of Department if an explanation is provided or if there are reasons to justify such an extension.
- (iv) The Customer Service Department shall keep a file of all communication sent to and from other services, including all documentation provided, for at least six (6) years.

The Head of the Department shall ensure at all times that the Department has adequate human, material, technical and organisational resources to meet its functions. To this end:

- (c) The Head of the Department shall ensure that the number of employees in the Department is proportional and consistent with the volume of activity of the Company and that the aforementioned employees possess sufficient and sufficiently up-to-date knowledge of the regulations governing transparency and customer protection in the financial services industry. In order to guarantee that this is the case, the Department shall conduct training activities, such as courses, presentations and seminars pertaining to the applicable regulations and any updates thereto.
- (d) Furthermore, the Head of the Department shall be responsible for proper maintenance of a computerised record of all complaints submitted by users of the financial services. The computer system shall allow for an individualised record of the complaints by client, the processing, evolution and resolution of each complaint, the termination of this channel and the option to file and appeal with the Commission for the Protection of Clients of Financial Services.

The remaining departments in the Company shall be required to provide the information requested by the Department in the terms set forth here in Article 3.

CHAPTER II

HEAD OF THE CUSTOMER SERVICE DEPARTMENT

Article 4 - Appointment and duration of position

1. The Board of Directors of the Company shall appoint, renew or substitute the head of the Customer Service Department (hereinafter, the “**Head of the Department**”). The Board shall notify the Investor Protection Commission and the National Securities Market Commission (i.e., the **CNMV**) of all appointments, renewals or substitutions.
2. The Head of the Department shall be appointed to the position for five (5) years and may be renewed for an additional five (5) years.

Article 5 - Requirements

In order to be chosen as Head of the Department, candidates must meet the following, duly accredited conditions:

- (a) A good reputation in professional and business circles due to his or her career-long respect for the laws and regulations governing economic activity and business life as well as his or her best business and financial practices.
- (b) Sufficient knowledge and experience to carry out his or her functions gained from carrying out related functions as part of the Company’s own financial service activities.

Article 6 – Incompatibility, ineligibility and grounds for termination

1. Individuals who meet the aforementioned criteria shall be ineligible for the position of Head of the Department if they do not meet the criterion of independence, which is defined as being a part of the Company’s sales and operational services or holding a management position in the Company.
2. The following are grounds for incompatibility of the Head of the Department:
 - (a) Individuals who are related by marriage or blood up to the third degree, direct or collateral, with any of the persons involved in a complaint or claim;
 - (b) Individuals who have an emotional relationship or are friends or manifest enemies of any of the persons involved in a complaint or claim;
 - (c) Any circumstance in which the Head of the Department has a direct interest in the issue underlying the complaint or claim.

If and when any of the foregoing situations holds true for the Head of the Department, he or she must recuse him or herself and inform the chairman of the

Board of Directors, who shall convene the Board of Directors to appoint another person to process and resolve the claim in question.

3. The following shall be grounds for termination of the Head of the Department:
 - (a) The sudden appearance of grounds for ineligibility;
 - (b) The position is not renewed at the end of his or her term;
 - (c) Death or significant physical impairment that interferes with his or her ability to carry out his or her functions;
 - (d) Serious failure to meet his or her obligations.
4. The Board of Directors of JB CAPITAL MARKETS, SOCIEDAD DE VALORES, S.A. shall be responsible for determining situations of ineligibility or termination.

Article 7 - Issues under the purview of the Department

In so far as the Company does not have a client ombudsman, the Customer Service Department shall be responsible for ascertaining and resolving all complaints and claims submitted physical and/or legal persons, provide that they are users of the Company's investment services (regardless of the amount and of the fund) and provided that the complaint or claim is related to their legally recognised rights and interests.

CHAPTER III
PROCEDURES

Article 8 - Deadlines for submission and response

1. Customers/users of the Company's financial services, regardless of whether a physical or legal person, shall have a period of two (2) years to submit complaints or claims. This period shall begin on the date they first become aware of the issue giving rise to the complaint or claim.
2. In all cases, the Customer Service Department shall have a period of two (2) months from the date of submission of a complaint or claim to issue a response. At the end of this period, the claimant may turn to the corresponding Investor Protection Commission.

Article 9 - Method, content and place of submission of complaints and claims

1. Complaints and claims may be submitted in person or by proxy by any means, physical or electronic, that permits the reading, printing and storage of the documents. The use of computerised or electronic means must conform to the requirements set forth in the Spanish Electronic Signatures Law (Law 59/2003 of 19 December 2003).
2. Proceedings can be initiated by submission of a document stating:
 - (a) Name, surname(s) and address of the interested party and his or her duly accredited representative, where applicable. The document must include the National Identification Number of physical persons and the public register information in the case of legal persons.
 - (b) The reasons for the complaint or claim, including a clear statement on the issues that the Customer Service Department should respond to.
 - (c) The offices, departments or services involved in the issues constituting the complaint or claim.
 - (d) Statement indicating that to the claimant's knowledge, the issue constituting the complaint or claim is not being addressed in administrative, arbitration or judicial proceedings.
 - (e) Location, date and signature.

In addition to the foregoing, the claimant must submit documentation to prove his or her complaint or claim.

3. Complaints and claims may be submitted to the Customer Service Department as well as to the e-mail address set up for this specific purpose.

Article 10 - Admission for processing

1. After receiving the complaint, a case will be opened. If there is not sufficient proof of the claimant's identity or if the submission does not adequately establish the grounds for the complaint or claim, the Department shall ask the signer to complete the documentation within a period of ten (10) days, further notifying him or her that if he or she fails to provide the additional information, his or her case will be closed. This period shall not be included in the two (2) months referred to in Article 8.2 of these Regulations. In all cases, written confirmation of the submission date of the complaint or claim must be given as proof for the purposes of determining this period.
2. Interested parties may only submit their complaints or claims one time and may not insist on resubmitting to various bodies within the company.
3. The Department may only refuse to process complaints and claims in the following circumstances:
 - (a) Omission of key, non-rectifiable information required to process the complaint or claim, including instances where the claimant fails to specify the grounds for the complaint or claim.
 - (b) When the complaint consists of appeals or different types of legal actions whose appropriate jurisdiction are the administrative, arbitration and/or legal authorities or when the complaint is already pending resolution or litigation or has already been resolved in one of the aforementioned instances.
 - (c) When the issues, grounds or document substantiating the issues subject to complaint or claim do not refer to specific operations or to legally recognised interests of users of financial services rendered by the Company, regardless of whether they are derived from contracts, the regulations governing transparency and client protection, best practices and financial users and, in particular, the principle of equity.
 - (d) When the complaint or claim is a reiteration of a previously resolved complaint or claim.
 - (e) When the complaint or claim is submitted after the submission deadline set forth in these Regulations.
4. Interested parties shall be notified of a decision not to process a complaint or claim, including the reasons for this decision, within ten (10) days in order to present allegations. Should the interested party decide to present allegations but the grounds for rejection are maintained, he or she shall be notified of the final decision.

Article 11 - Processing

1. While processing the case, the Department may gather any information it deems relevant, both from the claimant as well as from the various departments and services in the Company. The departments and services shall respond to requests for information by the deadlines and in the terms set forth in Article 3 of these Regulations.
2. If the Department finds out that a complaint, claim or administrative, arbitration or judicial proceedings are being processed for the same issue, the Customer Service Department shall refrain from processing the former.

Article 12 - Resolution and retraction

1. If, after examining the complaint or claim, the Company resolves the situation to the satisfaction of the claimant, the Department shall inform the competent instance and provide documentation as proof, except in the event of express retraction by the interested party. In such cases, the Department shall close the complaint or claim without any further processing.
2. Interested parties may retract their complaints at any time. Retraction shall entail conclusion of the proceedings.

Article 13 - Conclusion and notification

1. The proceedings must be concluded within at most two (2) months from the initial date of submission of the complaint, with notification containing clear conclusions about the issue raised in the complaints being sent to the interested party.

Should the decision be different from the criteria stated in other similar cases, clear reasoning to justify the decision must be provided.
2. The aforementioned notification must be issued within at most ten (10) days by any means, physical or electronic, that permits the reading, printing and storage of the documents in line with the request of the claimant. If no indication is given, the notification shall be sent by the same channel as the original complaint or claim.
3. The decision that concludes proceedings shall include express mention of the claimant's right to turn to the corresponding Commission for the Protection of Clients of Financial Services if he or she does not agree with the result.

CHAPTER IV

INFORMATION OBLIGATIONS

Article 14 - Relationship with the Commissions

The Company shall comply with any requests or requirements made of it by the Commissions for the Protection of Clients of Financial Services, acting through the designated party, in the exercise of their functions.

Article 15 - Annual Report

1. During the first quarter of each year, the Company's Customer Service Department shall provide the Board of Directors with a report of its activities over the preceding year. The aforementioned report shall contain, at minimum, the following:
 - (a) A statistical summary of the complaints and claims handled, including data on the number of complaints and claims, those accepted and rejected for processing, the specific issues raised and the amounts involved.
 - (b) Summary of the decisions indicated, including whether the decision was or was not favorable to the claimant.
 - (c) General criteria in the decisions.
 - (d) Any recommendations or suggestions resulting from its experience in order to improve the purposes behind its activities.
2. In the very least, a summary of the report shall be included in the overall annual report for the Company.

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