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PENSION CONTRACT

FOR THE PAYMENT OF SUPPLEMENTARY LIFE-LONG OLD-AGE PENSION FROM THE FUND FOR LIFE-LONG PENSION PAYMENTS DOVERIE

№.....

This by and between:

PENSION ASSURANCE COMPANY DOVERIE AD, having its registered office and principal place of business in the city of Sofia, Izgrev borough, 13 B, Tintyava Street, entrance A, floor 7, entered with the Commercial Register and the Register of Non-Profit Entities to the Registry Agency, company identification number (EIK) 831190986, pension license No. 01/21.09.2000, represented jointly by the Executive Directors Kiril Konstantinov Georgiev and Miroslav Krumov Marinov, hereinafter referred to as **THE COMPANY**, which manages **THE FUND FOR PAYMENT OF LIFE-LONG PENSIONS DOVERIE**, BULSTAT, on the one hand

AND

.....,

Personal No..... Or identification №

and date of birth..... (for foreigner), *Identity card № №*, issued on

..... by....., or identity document of a

foreigner (type, series №, date, and place of issue, validity term),,

Permanent address: District of....., Municipality of,

p.c.,

City/ town, Str. №, bl., entr.,

floor, ap.....

Present address: district....., municipality,

p.c....., City/ town, Str. №,

bl., entr., floor, ap.....,

telephone:....., e-mail:,

hereinafter referred to as **THE PENSIONER** on the other hand, this contract was made for the following:

I. SUBJECT OF THE CONTRACT

Article 1. This Contract shall govern the relations between **THE COMPANY** and **THE PENSIONER** upon and on the occasion of the payment of supplementary life-long old-age pension from the Fund for life-long pension payments Doverie.

II. EFFECTIVE DATE AND TERM OF THE CONTRACT

Article 2. This contract shall enter into effect on the date of its execution and shall not be limited to term.

III. TYPE, SIZE, AND TERM OF THE PENSION

Article 3. (1) The amount of the supplementary old-age pension shall be determined based on:

1. the funds on the individual account of **THE PENSIONER** in the General Pension Fund Doverie, respectively the supplemented amount of these funds in the cases under article 40, paragraph 1 and under article 40, paragraphs 2 - 4 of the Rules of operation of the General Pension Fund Doverie (the Rules), taking into account the funds transferred under article 172 of the Social Insurance Code (SIC);

2. mortality and life expectancy table published by the National Statistical Institute;

3. the technical interest rate, determined by the Managing Board of **THE COMPANY** and approved by the Financial Supervision Commission (FSC).

(2) The amount of the supplementary life-long old-age pension may not be less than 15 % of the minimum amount of the old-age and insurable service pension under article 68, paragraph 1 of the SIC at the date of its determination.

(3) The supplementary life-long old-age pension is granted against transfer to the Fund for of life-long payments Doverie of the accumulated funds in the individual account of **THE PENSIONER** in the General Pension Fund Doverie, respectively the supplemented amount of the funds in the cases under article 40, paragraph 1 of the Rules of operation of the General Pension Fund Doverie.

(4) The amount of the supplementary life-long old-age pension as originally determined, and the updated and recalculated amount of that pension respectively, may not be altered, except by an update under Article 7 and a recalculation under Article 8.

(5) **THE COMPANY** shall cover the survival risk and the investment risk up to the guaranteed pension amount under article 4.

(6) Based on the parameters in paragraph 1, subject to the requirements of paragraphs 2, 3, and 4, and the Rules of the Fund for life-long pension payments Doverie, and as a result of the choice made by **THE PENSIONER** in their application, **THE COMPANY** shall grant and undertake to pay to them, until their death:

1. type of the pension:

a) life-long pension without additional conditions;

b) life-long pension with a period of guaranteed payment:

- Period of guaranteed payment - (*can be from two to 10 years, depending on the choice of THE PENSIONER*)

c) life-long pension, including deferred payment of a part of the funds until the person reaches

.....
(*the age chosen by THE PENSIONER*):

- amount of the first payment and the date of payment - (*The monthly amount, at the date of the contract conclusion, may not be higher than the minimum amount of the old-age and insurable service pension under article 68, paragraph 1 of the SIC on the same date and less than 15 per cent of its amount*).

- the number of remaining payments and the amount of each payment -

- period on which each payment is made - (*can be one, two, three, four or six months, and where the period chosen is greater than one month, the maximum and minimum amount of the first payment are increased twofold, threefold, fourfold, or sixfold, respectively*)

- Term of the deferred payment - (*may not be longer than the average life expectancy of THE PENSIONER, at the date of contract execution*)

(*In the concluded contract under letter "a", "b" or "c", is indicated only one type of pension to be granted to the PENSIONER, together with the specific parameters*)

2. initial pension amount -

3. starting date for payment of the pension -

(7) **THE COMPANY** shall pay the pension referred to in paragraph 6 against funds transferred from the individual

account of
THE PENSIONER in the General Pension Fund Doverie to the Fund for payment of life-long pensions Doverie in the amount of
BGN

Article 4. The guaranteed amount of the pension referred to in article 3, paragraph 6 shall be equal to (*that calculated based on the gross amount of the contributions paid under article 40, paragraph 2 - 4 of the the Rules of operation of the General Pension Fund Doverie / the original amount of the pension referred to in paragraph 6, item 2 - insert the text which is relevant for the specific pension*) based on the option selected by **THE PENSIONER** in the application submitted by them and shall amount to BGN

IV. PROCEDURE AND METHOD OF PAYMENT OF THE PENSION AND THE RELATED EXPENSES

Article 5. (1) The supplementary life-long old-age pension shall be paid on a monthly basis, from the 10th to the 15th day of the month to which it relates:

1. to a personal account provided by **THE PENSIONER**, marked with an International Bank Account Number (IBAN), maintained by a payment service provider licensed by the Bulgarian National Bank or by a branch of a payment service provider operating in the territory of Bulgaria;

2. To a personal account under item 1, opened by **THE COMPANY** for **THE PENSIONER**;

3. By postal order

Thik by X the selected method of payment of the pension.

(2) When the supplementary life-long pension includes a deferred payment of part of the funds, the period of which exceeds one month, it shall be paid from the 10th to the 15th day of the last month of that period.

Article 6. The expenses for the payment of the supplementary life-long old-age pension in the amount of the expenses incurred but not more than one lev per transaction, shall be borne by the Fund for life-long pension payments Doverie.

(2) If the expenses incurred for the payment of the pension exceed the amount referred to in paragraph 1, **THE COMPANY** shall reimburse to the Fund for life-long pension payments Doverie the excess of the expenses incurred for the payment according to the procedure under article 5.

(3) The pension can also be paid abroad, to a personal account referred to in article 5, item 1, kept by a licensed provider, in accordance with the legislation of the foreign country, and in such case, the expenses shall be at **THE PENSIONER**'s account.

V. PENSION UPDATE AND RECALCULATION

Article 7. (1) The supplementary life-long old-age pension shall be updated annually from the first day of April and the guaranteed amount under article 4 shall not change.

(2) The update under paragraph 1 shall be made by not less than 50 per cent of the excess of the realised return on the investment of the resources of the Fund for life-long pension payments Doverie over the period to which it relates and the technical interest rate based on which their amount was calculated, aligned on an equal basis.

(3) The specific percentage, within the limitation of paragraph 2, by which is made the update referred to in paragraph 1 for the relevant year shall be determined by a decision of the Managing Board of **THE COMPANY**.

(4) The supplementary life-long old-age pension is updated with a percentage calculated on the basis of the decision under para. 3 and depending on the time, in number of days, during which the **PENSIONER**'s funds were managed in the Fund for life-long pension payments Doverie, during the update period.

(5) For the needs of equating on the same basis and for the accounting of time under para. 4, during which the **PENSIONER**'s funds are managed in the Fund for life-long pension payments Doverie, is using the interest convention Real number of days under para. 4/Actual number of days in the update period.

(6) The amount of the supplementary life-long old-age pension may be reduced, as a result of the update, only after the funds in the analytical account referred to in Article 60, paragraph 11 of the Rules have been spent, and may not be lower than the amount guaranteed under Article 4.

Article 8. (1) **THE PENSIONER** may request from **THE COMPANY**, not more than once in a calendar year, the recalculation of the supplementary life-long old-age pension, based on the accumulated amounts of contributions or part thereof, credited to their individual account in the General Pension Fund Doverie, after:

1. the conclusion of this contract;
2. previous recalculation of the pension;

3. One-off or deferred payment under article 48, paragraph 1, item 1 of the the Rules of operation of the General Pension Fund Doverie.

(2) The recalculation referred to in paragraph 1 shall take place from the first day of the month following that in which the application was submitted to **THE COMPANY**.

(3) The resources based on which the recalculation under paragraph 1 has been made, shall be transferred from the individual account of **THE PENSIONER** in the General Pension Fund Doverie to the Fund for payment of life-long pensions Doverie on the date referred to in paragraph 2, and provided that the said date falls on a day-off - on the first business day thereafter.

(4) Additional agreement to this contract shall be signed for the recalculation made under paragraph 1 within seven days of the date referred to in paragraph 2.

VI. RIGHTS AND OBLIGATIONS OF THE HEIRS OF THE PENSIONER

Article 9. (1) In case of death of **A PENSIONER**, who has been granted a pension under Article 3, paragraph 6, item 1 with a guaranteed payment period, before the expiry of the guaranteed payment period, the present value of the payments due to them until the end of the guaranteed payment period shall be paid one-off to their heirs at law, subject to the application of Article 3, Article 4, paragraph 1 and Articles 5 to 10a of the Inheritance Act. The amount due to the pensioner's descendants who have died after them shall be paid equally to their descendants, the more immediate in degree shall exclude the more remote.

(2) In case of death of **A PENSIONER** whom has been granted a pension under Article 3, paragraph 2, item 1 that includes deferred payment of part of the funds until the pensioner reaches an age of their choice, during the deferred payment period, the heirs referred to in paragraph 1 shall be paid a one-off sum equal to the present value of the deferred payments due after the pensioner's death in accordance with the deferred payment plan provided for in the contract signed with the deceased.

(3) After the death of **A PENSIONER** receiving a pension under paragraph 1 or 2, the residual amount shall be updated in accordance with Article 7 until making the relevant payment to the relevant heir.

(4) Provided that there are no heirs under paragraph 1 or in case of death of **A PENSIONER** whom has been granted a pension under Article 3, paragraph 6, item 1, without additional conditions, the funds due under paragraph 1 and 2 and the pension payments due to **THE PENSIONER** without additional conditions, respectively, shall remain in the Fund for life-long pension payments Doverie.

(5) The heirs are entitled:

1. To receive information according to the requirements of SIC, its implementing regulations, the Rules, and this contract and in the manner set forth therein;

2. To receive, upon request, within 7 days, a copy of an electronic document in their electronic dossier, on a paper copy or electronic medium;

3. to submit alerts and complaints concerning errors, omissions, and breaches relating to the activity of the insurance intermediaries and the employees of **THE COMPANY**, as well as alerts and complaints against refusal to issue a copy of a document under item 2 and notify the Board of Trustees of GPF Doverie and the FSC for breaches relating to the business of **THE COMPANY**.

(6) The heirs shall notify **THE COMPANY** about any change of their personal data, which are processed, and shall submit the relevant documents as well as shall notify **THE COMPANY** about changes in other circumstances that are relevant for the completion of their obligations.

(7) In addition to the rights and responsibilities specified in this contract, the heirs shall have the relevant rights and responsibilities, laid down in the Social Insurance Code, its implementing regulations and the Rules.

(8) The renunciation of the inheritance of the deceased **PENSIONER** shall not divest the heirs of their rights under this contract.

(9) The receipt of funds by the heirs under paragraph 1 and 2 shall not be considered as acceptance of inheritance.

VII. PROCEDURE AND METHOD TO OBTAIN INFORMATION

Article 10. (1) **THE PENSIONER** may receive information according to the requirements of the Social Insurance Code, its implementing regulations, the Rules, and this contract.

(2) The information under paragraph 1:

1. Shall be sent on a paper copy to the permanent address of **THE PENSIONER**;

2. Shall be provided by electronic means;

- A) by sending it by email to the email address specified herein
- b) on a magnetic copy;
- c) through the website of **THE COMPANY**.

Tick by X the method of receiving the information selected by THE PENSIONER.

(3) If **THE PENSIONER** has not selected an option under paragraph 2, the information shall be sent on a paper copy, to their permanent address.

(4) **THE PENSIONER** may change the method of receiving the statement under paragraph 3 or the choice made under paragraph 2, by a document on a form approved by **THE COMPANY**, which shall be submitted as a paper copy or through its website.

Article 11. (1) **THE COMPANY** shall:

1. Make known the Rules to persons intending to enter into a pension contract and provide them, upon request, with a certified copy thereof;

2. provide to **THE PENSIONER**, upon request, within 7 (seven) days an electronic or paper copy of document from THE INSURED's files in company's database;

(2) **THE COMPANY** shall publish the Rules and their amendments and supplements on its website on the day of their adoption.

VIII. RIGHTS AND OBLIGATIONS OF THE CONTRACTING PARTIES

Article 12. (1) **THE COMPANY** shall:

1. In the capacity of the data controller, process the personal data of **THE PENSIONER** and their heirs in compliance with the requirements of the General Data Protection Regulation (Regulation (EU) 20165/679), the Personal Data Protection Act and any other applicable national and European laws;

2. not provide to third persons any data about **THE PENSIONER** and their heirs except in the cases provided for by the law;

3. Review any notices and complaints and reply in writing to the persons having submitted them within 30 days after their receipt;

(2) In addition to the rights and responsibilities specified in this contract, **THE COMPANY** has the relevant rights and responsibilities, laid down in SIC, its implementing regulations and the Rules.

Article 13. (1) **THE PENSIONER** may submit alerts and complaints concerning errors, omissions, and breaches relating to the activity of the insurance intermediaries and the employees of **THE COMPANY**, as well as alerts and complaints against refusal to issue a copy of a document under article 11, para 11, item 2 and notify the Board of Trustees of UPF Doverie and the FSC for breaches relating to the business of **THE COMPANY**.

(2) In connection with the payment of the pension, **THE PENSIONER** shall provide their personal data to **THE COMPANY**, which in the capacity of data controller shall process the obtained data for specific goals, set forth in the Social Insurance Code, any other statutory instruments and by-laws applicable to the business of supplementary compulsory pension insurance and this contract and on the ground of the specified regulations and the contract.

(3) Detailed information on the grounds, purposes, and duration of the processing, the categories of data processed, their disclosure to third parties as well as the rights concerning the protection of personal data and how to exercise them can be obtained at any office of the COMPANY or at www.poc-doverie.bg in the section *Personal data protection*.

(4) In addition to the rights and responsibilities specified in this contract, **THE PENSIONER** has the relevant rights and responsibilities, laid down in the Code on Social Insurance, its implementing regulations, and the Rules.

IX. AMENDMENTS, ADDITIONS, AND TERMINATION OF THE CONTRACT

Article 14. (1) Any amendments and additions hereunder shall be made by additional agreement in writing, signed by the parties hereto.

(2) The parties hereunder may not make any amendments to this Contract concerning the type of pension, the manner of its calculation, the risks covered, the guaranteed amount, and the duration of its disbursement.

(3) In the event of amendments and additions to the Rules, the rights of **THE PENSIONER** and their heirs and the obligations assumed by **THE COMPANY** towards them shall be preserved, unless otherwise agreed with **THE PENSIONER**, subject to paragraph 2.

(4) Amendments and additions to the terms of the Rules under article 144a, paragraph 2, item (1), (2), (7), (8), (9), (10), (14), (15) and (16) of the SIC and changes resulting in a reduction in the charge levied or otherwise in an increase of pensions' amounts, apply to **THE PENSIONER** and their heirs without need to enter into a supplementary agreement with them.

(5) Any statutory acts that have become effective after contract conclusion and that contain imperative provisions concerning its content shall become a part of the content of the contract without need to sign additional agreement thereto.

(6) The Contract shall be terminated in case of death of **THE PENSIONER**– on the date of death;

X. OTHER PROVISIONS

Article 15. Amounts received from additional life-long old-age pension and those received from the heirs under article 9, are not subject to taxation under the Natural Persons Income Taxation Act.

Article 16. The provisions of the SIC, other regulatory acts, which govern issues related to supplementary pension insurance and the Rules shall apply to all unsettled matters herein.

This contract was made and signed in two counterparts, one for each party.

FOR THE COMPANY:

PENSIONER:

.....

/Full name, signature and stamp/

/signature/