



INVESTOR COMPENSATION FUND



ANNUAL REPORT 2008

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List of Abbreviations:

ABB – Association of Banks in Bulgaria;

BALII – Bulgarian Association of Licensed Investment Intermediaries;

BNB – Bulgarian National Bank;

BSE – Bulgarian Stock Exchange;

GS – Government Securities;

EC – European Commission;

EU – European Union;

LPOS – Law on Public Offering of Securities;

LMFI – Law on Markets for Financial Instruments;

FSC – Financial Supervision Commission;

ROOICF – Regulation of Organization and Operation of the Investor Compensation Fund;

MB –Management Board;

DIF – Deposit Insurance Fund;

ICF – Investor Compensation Fund;

EFDI – European Forum of Deposit Insurers

Introduction

In 2008 we witnessed the largest financial crisis in the world since the Second World War or even since the Great Depression. The crisis originated from the market of American mortgage bonds and it gradually attained global dimensions.

There were indications of instability on the Bulgarian capital market in the middle of 2008, which were followed by a downturn in the prices of financial instruments. The main indexes at the Bulgarian Stock Exchange (BSE) lost a significant part of their values. The prices of financial instruments collapsed in a couple of months. As a result of this the majority of the foreign investors on the Bulgarian capital market took a stand-by position and stopped trading on BSE. The volumes traded on the BSE also decreased. During the second part of 2008 the crisis also hit the real sector of the economy.

Financial turbulences also touched the Investor Compensation Fund (ICF). The small amounts of traded volumes influenced strongly investment intermediaries, esp. those offering brokerage services. Since September 2008, investment intermediaries have started reporting smaller amounts of clients' assets eligible to compensation, which is due to the fast decrease in the value of these assets. Till the end of 2008 clients' assets, eligible to compensation, lost approximately 30% of their value, as the clients' assets eligible to compensation held by commercial banks lost approximately 50% of their value. As a result of this the basis for calculation of the annual contributions to the Fund for 2009 also decreased.

Despite the global financial crisis in 2008 there were no cases of compensation payments from the Fund.

1. Management Board

In 2008 the Management Board (MB) of the Fund consists of four members – the Chairman of the Fund and three members. The members of the MB are elected by the Financial Supervision Commission (FSC), as both of them are proposed by the Bulgarian Association of Licensed Investment Intermediaries (BALII) and the Association of Banks in Bulgaria (ABB) and one member is proposed as a representative of both associations.

The members of the MB as of December, 31st, 2008 are as follows:

Mileti Mladenov – Chairman of the Management Board;

Veselin Ralchev – Member, representative of the BALII;

Irina Marceva – Member, representative of the ABB;

Yavor Dimitrov – Member, representative both of BALII and ABB;

The Chairman of the MB represents the Fund in the country and abroad, organizes and manages the operation of the Fund, initiates the meetings of the MB, and performs other duties in accordance with the provisions of articles 14 and 15 of the Regulation of Organization and Operation of Investor Compensation Fund (ROOICF). In 2008 the Chairman of the MB participated in meetings, international conferences, working visits and media events, in which he represented the Fund's activity and the role of the Fund for the stability of the capital market in Bulgaria.

During 2008 the Management Board held twelve meetings, discussed 51 issues and took 41 decisions. The topics at these meetings referred to the operation of the Fund, and more precisely: the preparation of the amendments in Ordinance № 23; the creation of an electronic portal for receiving digitally signed documents from investment intermediaries, as well as a database system; the investment activities of the Fund; establishment of cooperation with similar organizations from the EU member-states; participation in the activities of international organizations, etc.

During the reported period the Fund successfully cooperated with different institutions, namely – FSC, Bulgarian National Bank (BNB), the National Audit Office, BSE,

ABB, BALII, Bulgarian Association of Asset Management Companies (BAAMC), as well as with the members of the investor compensation scheme – non investment intermediaries, commercial banks and asset management companies.

At the end of 2008 the MB determined the rate for the annual contributions due for 2009 by the participants in the investor compensation scheme, and it is as follows;

- 0,5 % of the total amount of cash;
- 0,1% of the total amount of other clients' assets eligible to compensation.

2. Legal Framework

The Fund's activities are regulated by the Law on Public Offering of Securities (LPOS), Chapter IV, ROOICF, Ordinance № 23, as well as internal legal acts adopted by the MB and approved by the FSC and other internal rules of the Fund.

The MB of the Fund approved amendments and supplements to the Ordinance №23, which regulates the terms and procedures for evaluation of clients' assets held, administered or managed by the investment intermediaries. The amendments were discussed and approved by the FSC and they entered into force as of June, 28th, 2008 – three months after the Ordinance was published in the State Gazette, and thus the investment intermediaries were allowed to carry out their activities in compliance with the amendments. As a result of those amendments the clients' assets eligible to compensation also included government securities (GS), as well as clients' assets traded on the non regulated market. The amendments in the Ordinance included the definition of clearer models for clients' assets evaluation.

It was a challenge for the investment intermediaries to adopt their own rules for evaluation of some particular financial instruments that are traded on the non regulated market, and which subsequently had to be approved by the FSC.

The amendments in the Ordinance also included the possibility for the investment intermediaries to submit automatically to the Fund clients' assets eligible to compensation.

In 2008 the Bulgarian Stock Exchange – Sofia (BSE) initiated the establishment of the Stock Exchange Council working as an advisory body and aiming to provide transparency and better communication between participants on the financial market and the Stock Exchange. At the request of the Stock Exchange, the MB presented a statement on the draft Regulation of the Council's Activity.

The MB also approved some amendments in the internal legal acts that regulate the activity of the Fund.

In 2008 the Fund performed its activities in compliance with the legal requirements.

3. Fund's Activities

The investor compensation schemes are established to contribute to the stability and credibility of the capital markets. Compensating investments in financial instruments, in the cases determined by the law, investor compensation schemes encourage more people to invest their free resources in the capital market. In the middle of the global financial crisis, the role of those schemes contributing to the credibility of the market in financial instruments is considered to be more important than ever.

The mission of the Fund is to contribute through its activity to the development of an effective and stable capital market in Bulgaria. Having started in the summer of 2007, the global financial crisis reached the Bulgarian market in 2008 as well.

One of the main activities of the Fund is to gather initial and annual contributions from the participants in the scheme, which creates resources for compensating the clients of investment intermediaries that, because of their financial state, cannot perform their duties to their clients. The accumulated resources are invested in compliance with the "Investment Policy" of the Fund.

Effective communication with the participants in the investor compensation scheme is a priority for the staff of the Fund. An important new tool in this respect is the creation of an information system for receiving digitally signed documents and their administration in a database.

3.1. Participants in the Investor Compensation Scheme

Each investment intermediary that holds, administers or manages money or financial instruments for its clients is obliged to pay contributions to the Fund in accordance with the provisions set in art. 77n, para 1 and 2 of LPOS.

As of December, 31st, 2008 the number of the licensed investment intermediaries, members of the Fund, is 126, of which 23 are commercial banks, 64 are non bank investment intermediaries and 39 are asset management companies. In 2008 there were 7 newly licensed non bank investment intermediaries and 9 asset management companies (see *Table № 1*).

Table. № 1. The newly licensed participants in the investor compensation scheme in Bulgaria in 2008

<i>Investment intermediaries</i>	<i>Asset management companies</i>
1) <i>Rock Ridge Investment</i>	1) <i>Overon Finance</i>
2) <i>Lider Invest</i>	2) <i>Municipal Bank Asset Management</i>
3) <i>Astra Investment</i>	3) <i>Syedinenie Asset Management</i>
4) <i>Global Markets</i>	4) <i>Bukdev Asset Management</i>
5) <i>Bolkan Securities</i>	5) <i>Ultima Capital Management</i>
6) <i>Adamant Capital Partners</i>	6) <i>Capital Markets Asset Management</i>
7) <i>ABC Finance</i>	7) <i>Astra Asset Management</i>
	8) <i>Newway Asset Management</i>
	9) <i>Optima Asset Management</i>

According to the minimum required capital criterion, the number of non bank investment intermediaries is distributed as follows: /see Table №2/:

Table. № 2. Distribution of the investment intermediaries according to the minimum required capital

	1 500 000 BGN	250 000BGN.	100 000 BGN.
<i>As of December 2007</i>	24	32	-
<i>As of December 2008</i>	24	39	-

According to the legal acts, the investment intermediaries are obliged to present information on a monthly basis according to art. 77n of LPOS as well as information on the number of clients at every 6 months. Until the middle of 2008, this kind of information was presented both electronically and on paper, which in view of the large volume of paper work caused much inconvenience.

In the summer of 2008 an electronic portal for on-line receiving of digitally signed reports was built, as well as a database IT system. Sending of paper documents to the Fund was ceased. The new system aims to optimize and make the process easier, which is positive not only for the investment intermediaries, but also for the staff of the Fund. By the end of 2008 only one investment intermediary and two asset management companies continued sending the regular information to the Fund on paper.

In 2008 the staff of the Fund responded in due time to all inquiries and raised issues referring to the activity and communication of the Fund with the investment intermediaries and supervisory bodies.

The Fund receives inquiries from the investment intermediaries on different issues, e.g. the level of compensation, clients eligible to compensation, calculation of annual contributions, on-line submission of the regular reports, etc. There were some cases in which the clients of investment intermediaries wanted to know more about the level of a possible compensation, which is an indication that retail investors accept the scheme as a partner.

The staff of the Fund considers as very important the regular and efficient communication with the investment intermediaries as a prerequisite for a reliable exchange of information.

3.2 Accumulated Funds and Investments

One of the main activities of the Fund is the investment of the accumulated resources from the initial and annual contributions. According to art. 77r, para 2 of LPOS the accumulated resources by the Investor Compensation Fund (ICF) can be invested in financial instruments, issued or guaranteed by the Bulgarian government, in short-term deposits in banks, and in deposits in the Bulgarian National Bank(BNB). At the end of 2008, the resources of the Fund were invested in GS and short-term deposits placed in several Bulgarian banks. The share, the amount, the maturity, and the yield are in compliance with the "Investment Policy" approved by the Management Board of the Fund.

As of December, 31st, 2008 the resources of the Fund amounted to 4,44 million BGN. Fund's resources are held in cash on a current account, short-term deposits with a maturity up to 6 months and government securities, as the requirements set in the "Investment Policy" for the maximum exposure and maturity structure of the portfolio are kept.

The yield from investments for 2008 was about 210 thousand BGN. According to the approved internal rules, the MB periodically discusses the Fund's investments and in case of necessity it makes changes in the "Investment Policy". In 2008 there were no changes in the "Investment Policy" of the Fund.

3.3. Administrative Measures

The investment intermediaries are obliged to make their annual contributions to the Fund timely and to present regular information on the amount of clients' assets eligible to compensation. When the payment of the annual contributions is not made within the required period according to art. 77n, para 8 of LPOS, investment intermediaries should pay interest, equal to that set by the law for the term of delay on the amount due. The number of the investment intermediaries that have paid their annual contributions with a delay, as well as the amount of the accrued and paid interest, are shown in Table №3.

Table №3. Interest paid for delays in 2008 by investment intermediaries

Contributions	Number of investment intermediaries that have paid annual contributions with a delay	Interest due /BGN/	Interest paid /BGN/
<i>First *</i>	16	158	158
<i>Second</i>	23	632	632
<i>Third</i>	6	35	35
<i>Forth</i>	26	364	364
Total:		1189	1189

* *The contribution is paid in January 2008, but according to the provisions of LPOS it is actually the last part of the contribution for 2007.*

Some investment intermediaries paid the due contribution on the last day of the term and it appeared in the Fund's account with a delay of one day, and for this day small amounts of interest are usually accrued. To a certain extent, this is a result of the provisions set in art. 77n, para 3 of LPOS, according to which the contributions should be paid no later than 30 days after the end of each quarter. Some months have a duration of 31 days, which misleads the investment intermediaries and leads to a delay of one day.

3.4. Estimation of Fund's Exposition in Case of Activation of the Scheme

The Fund provides compensation for 90% of the amount of clients' assets but no more than 30 000 BGN for the year of 2008. Despite the financial crisis and the drastic decrease in the prices of financial instruments, there were no grounds for compensation payments. The experts of the Fund regularly analyze the information provided by the investment intermediaries, and calculated the exposures of the Fund in case of its activation. This analysis is required in order to assess the sufficiency of the accumulated resources and also to determine the amount of the rate for the annual contributions.

Periodically, the Fund prepares analyses in order to determine the possible amount of compensation, which the Fund would pay to the clients of investment intermediaries, unable to perform their obligations. In these analyses the investment intermediaries are divided into three groups – investment intermediaries with a minimum required capital of 250 000 BGN, investment intermediaries with a minimum required capital of 1 500 000 BGN and commercial banks – investment intermediaries. The analyses are made based on the information in the reporting forms on the number of clients as well as the information received on the basis of art. 77n of LPOS. The clients' assets are distributed in 11 groups and for each of them the amount of the possible compensation is calculated.

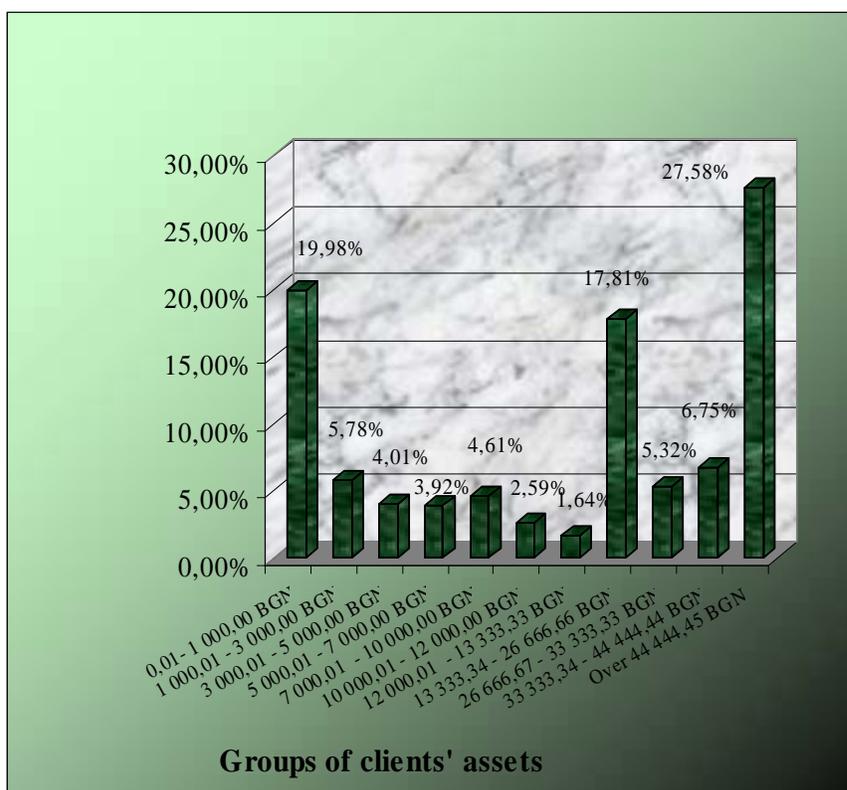
A short analysis on the Fund's exposure based on the received information by the end of 2008, follows below.

Figures № 1, 2 and 3 show the possible amount of compensation, payable by the Fund distributed by groups of clients' assets and types of investment intermediaries. For all investment intermediaries the highest amount of possible compensation paid by the Fund refers to the amount of clients' assets over 44 444 BGN, followed by the range 13 333,33 – 26 666, 66 BGN and the so called "small" clients / up to 1 000 BGN/

The estimations of the amount of compensation, paid by the Fund, is based on the possible maximum amount of compensation for every client group which in fact leads to increased estimations in the amount of compensation.

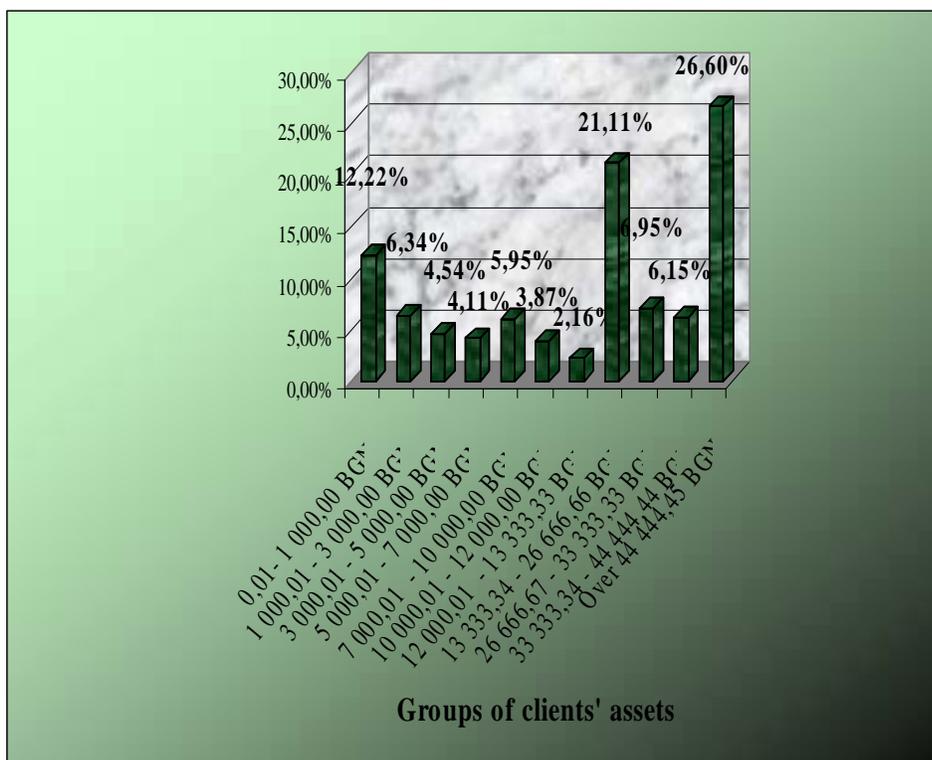
The available resources of the Fund would not be enough for the payment of the eventual compensation to the clients of each of 13 individual investment intermediaries in the event of compensation payments. In that case the Fund will have to gather additional resources in the possible ways envisaged in the provisions of art. 77s of LPOS.

Fig. № 1. Compensation payments calculated on the basis of the number of clients – investment intermediaries with a minimum required capital of 250 000 BGN



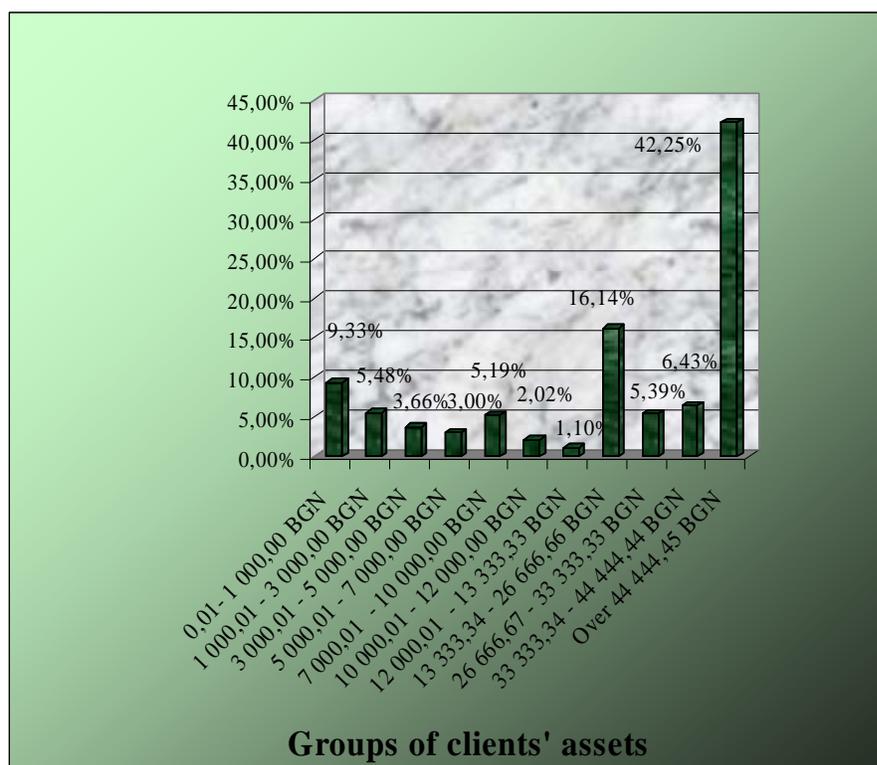
For the investment intermediaries with a minimum required capital of 250 000 BGN, the compensation that would be paid by the Fund, varies from 2 230 BGN to 4,44 million BGN. The available resources of the Fund as of December, 31st, 2008, would be sufficient for paying compensation to the clients of each individual investment intermediary in this group.

Fig. № 2 Compensation payments calculated on the basis of the number of clients – investment intermediaries with a minimum required capital of 1 500 000 BGN



In the group of investment intermediaries with a minimum required capital of 1,5 million BGN, the share of the possible amount of client assets eligible to compensation over 44 445 BGN decreased from 33,28% to 26,60% which indicates a trend of decreasing of the number of clients in the “highest group” holding large amounts of assets. A possible explanation for the decrease in the investors’ portfolios is the influence of the financial crisis.

Fig. № 3 Compensation payments calculated on the basis of the number of clients of banks- investment intermediaries

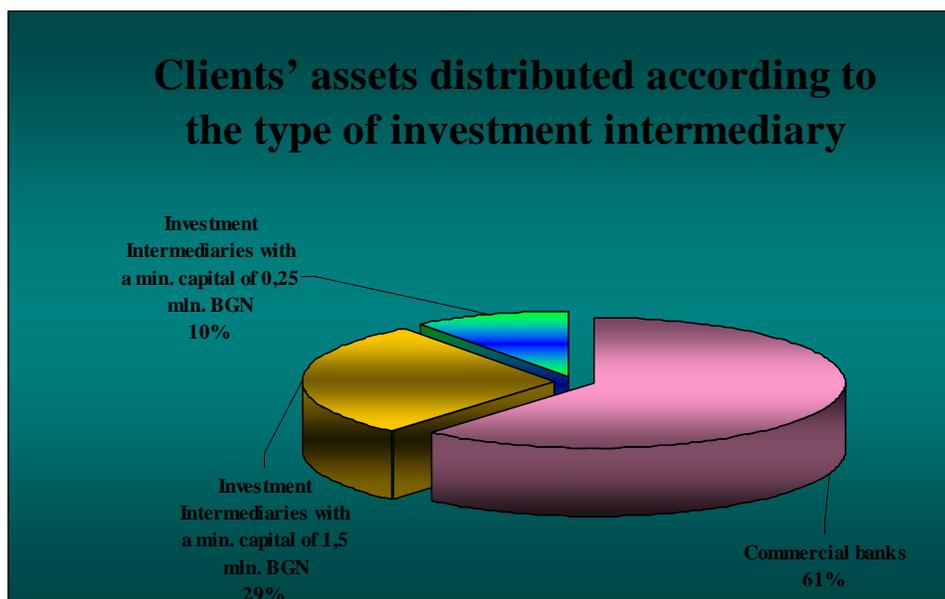


Regarding commercial banks it is observed in 2008 an increase in the clients' assets, eligible for compensation over 44 445 BGN. This fact gives grounds for the assumption that either the number of investors, holding smaller amounts of assets, has decreased or there are new clients of the investment intermediaries, holding assets of greater amounts. Having in mind the period of the global financial crisis, the first assumption is more probable.

Considering the data in Annex №1, the Fund would pay the highest compensation to the clients of the investment intermediaries with a minimum required capital of 1,5 million BGN, followed by the commercial banks and the investment intermediaries with a minimum required capital of 250 000 BGN. Compensation payments presented in Annex №1 are the maximum amounts that could be paid by the Fund but the assumption for compensation payments to the whole group of investment intermediaries is theoretic, and it aims to illustrate the distribution of the clients' assets, eligible to compensation. The distribution of the clients of investment intermediaries depending on the amount of their assets is shown in Annex № 1. In each of the three groups is observed a predominance of the so called "small

investors” holding assets up to 1000 BGN which means that the majority of clients hold small amounts of assets.

Fig. № 4.



Figures № 4 and № 5 show the distribution of the client's assets, eligible to compensation, and the annual payments to the Fund according to the group of the investment intermediaries. The commercial banks pay the highest contributions to the Fund, followed by the investment intermediaries with a minimum required capital of 1,5 million BGN. It should be also taken into consideration that the clients' assets eligible to compensation held by commercial banks do not include clients' money in contrast to the non bank investment intermediaries. This is due to the fact that clients' money, eligible to compensation is guaranteed by the Deposit Insurance Fund (DIF).

Fig. № 5.

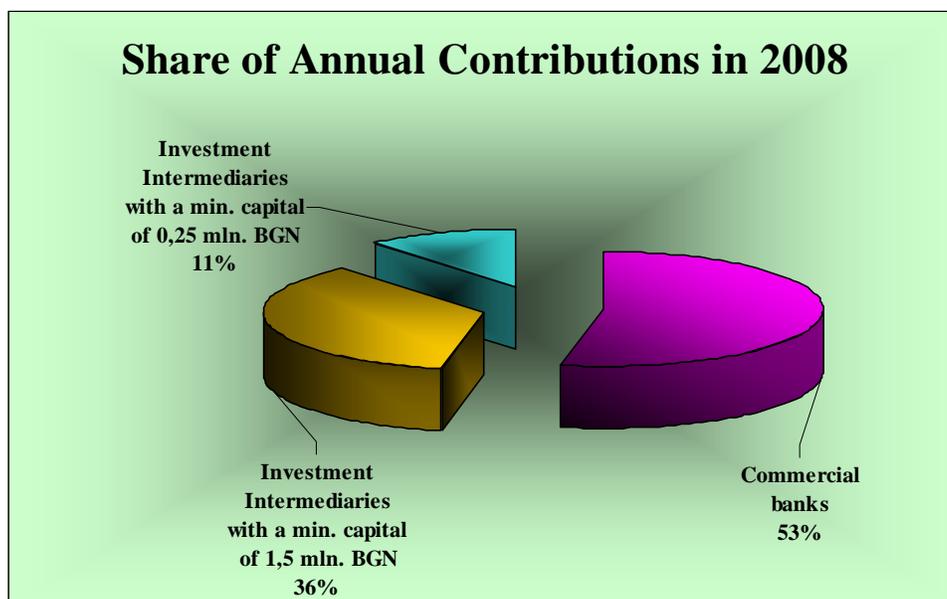


Fig. № 6.

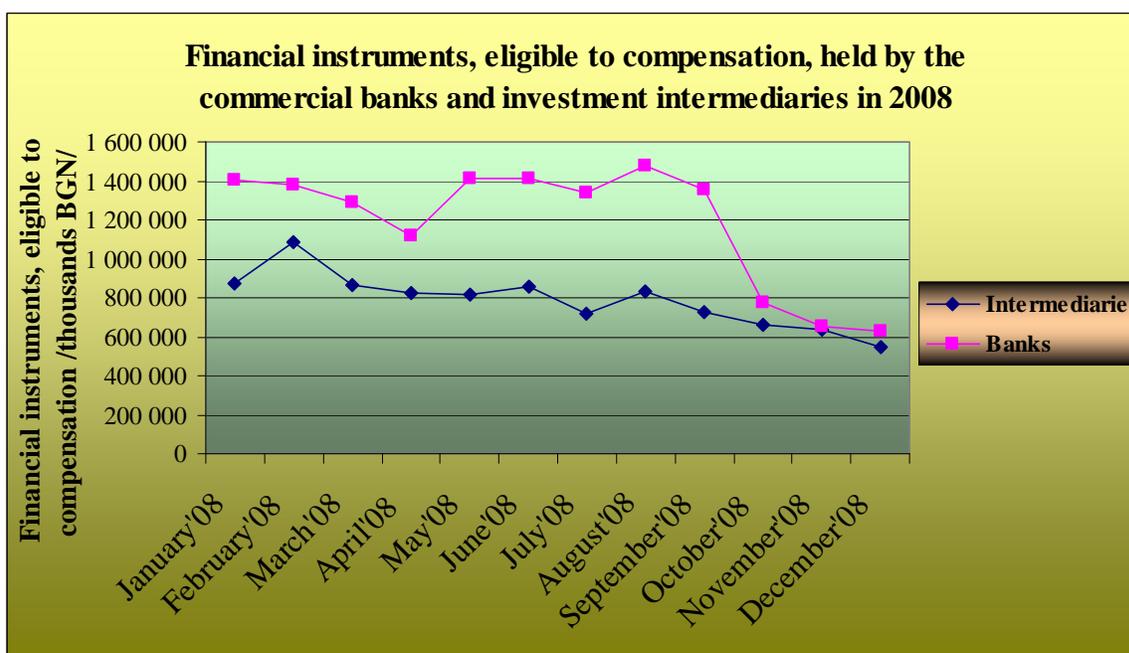


Figure № 6 shows the amounts of the financial instruments, eligible for compensation, separately for the banks and for the investment intermediaries. Since September 2008 a significant fall in the amounts of financial instruments held by commercial banks was observed. The amount of the clients' assets is the basis for calculation of the annual contribution paid by the intermediaries to the Fund for the next year.

It can be concluded that the share of the financial instruments, eligible for compensation is low in comparison with the total amount of assets held by the investment intermediaries and it varies between 9% and 15% of the stock exchange capitalization / see Annex 2/. The share of the financial instruments, eligible for compensation is higher for the period July – December of 2008. A possible explanation to this is the fact that since July 2008 more types of financial instruments have been included in the scope of the scheme due to the amendments in Ordinance № 23. The relatively small share of clients' assets, eligible to compensation can be explained with the fact that the bigger clients of the investment intermediaries and banks are in the group of the exclusions of compensation.

The Fund would pay compensation to the clients of investment intermediaries holding two types of assets – money and financial instruments. Due to the fact that the real “loss” of financial instruments is more implausible compared to that of clients' money, the compensation payments for the clients' money is more probable. Compensation is paid by the Fund only for the clients' money held by the clients of the non bank investment intermediaries as the clients' money held by the commercial banks are guaranteed by the DIF. Clients' money, eligible to compensation, held by all investment intermediaries are approximately 20% of the total amount of the potential compensation paid by the Fund.

3.5. Human Resources

The obligations of the employees working in the Fund are specified in the Internal Rules for the organization and activity of the Fund, jobs' descriptions and other internal legal acts.

The Management Board and the Chairman who is the executive director of the Fund pay attention to the importance of the human potential for the development and the operation of the Fund and because of that they aim at encouraging the professional development of the staff as far as possible.

In 2008 the employees of the Fund participated in seminars, courses, conferences and trainings in the field of finance, accounting, foreign languages, etc.

During the reported period there was higher stability in the staff structure which is in correspondence with the situation on the labor market.

By the end of 2008 there were 4 people employed by the Fund on working contracts. The employment relations are in compliance with the Labor Code.

3.6. International Cooperation

In 2008 the Fund established relations with the Romanian Investor Compensation Scheme. There were two working visits in both countries during which issues related to the legal framework, calculation of the annual contributions, the internal organization and others were discussed. A bilateral agreement between both schemes was discussed and signed.

In 2008 the bilateral agreement with the Hungarian Investor Protection Scheme was finalized and signed as well. At the end of the year a project of a bilateral agreement with the Polish Investor Compensation Scheme was discussed and approved and it was signed in the beginning of 2009.

The ICF has been an associate member of EFDI since May, 2006. In 2008 the Fund participated actively in the information exchange with the investor compensation schemes, members of EFDI.

A contact with the Canadian Investor Compensation Scheme was established because of the initiation of a project for the creation of an international (global) organization for investor compensation schemes. That project was initiated due to the lack of a specialized structure dealing specifically with the investor compensation schemes. This issue is going to be discussed in 2009.

The ICF is an organization with a specific activity and because of that it is unique in Bulgaria. The development of the Fund's international activity is of particular importance because the exchange of experience and information helps the Fund reach its goals as an adequate social structure, responding to the international standards.

4. Fund's Activities in 2009

2008 is going to remain in the world history with the sharp crisis on the capital markets. A strong drop in prices of financial instruments is also observed in Bulgaria. The

main index of BSE has lost more than 70% of its value. In 2008, significant amendments were made in the scope of financial instruments eligible to compensation. Financial instruments traded on non regulated markets, as well as government securities were included in the scope of the scheme. Despite of this the enlarged scope of the instruments eligible to compensation was neutralized by the financial crisis and investment intermediaries even declared smaller amounts of clients' assets.

In 2009 the priorities of the Fund will be as follows:

- ✓ maintaining the stability and confidence in the capital market by leading adequate management policy and harmonized activities together with the financial and supervisory authorities;

- ✓ working on some amendments in the legal acts, aiming at creating comprehensive and effective legal framework, which is going to set strict and clear rules in the relations between the participants in the investor compensation scheme;

- ✓ full harmonization of the electronic system containing database with the Fund activities and the investment intermediaries ones;

- ✓ performing periodic analyses of the Fund's exposure in cases of eventual activation of the scheme;

- ✓ maintaining the established international cooperation and establishing new contacts;

- ✓ optimizing and modernizing the operation of the Fund and its communication with the investment intermediaries.

Amount of clients' assets eligible to compensation calculated on the basis of the number of clients

as of 31.12.2008

/in thousands BGN. /

Client assets	Number of clients – investment intermediaries with a minimum required capital of 250 000 BGN.		Amount of assets eligible to compensation- investment intermediaries with a minimum required capital of 250 000 BGN.		Number of clients - investment intermediaries with a minimum required capital of 1 500 000 BGN.		Amount of assets eligible to compensation – investment intermediaries with a minimum required capital of 1500 000 BGN.		Number of clients – commercial banks operating as investment intermediaries		Amount of assets eligible to compensation – commercial banks operating as investment intermediaries		Total sum of clients' assets eligible to compensation	
<i>From 0,01 BGN to 1000,00 BGN.</i>	10 247	76,91%	9 222	19,75%	18 245	65,21%	16 421	12,58%	7 155	60,92%	6 440	9,34%	32 082	13,04%
<i>From 1000,01 BGN to 3000,00BGN</i>	990	7,43%	2 673	5,73%	3 126	11,17%	8 440	6,47%	1 400	11,92%	3 780	5,48%	14 893	6,05%
<i>From 3000,01 BGN to 5000,00 BGN</i>	412	3,09%	1 854	3,97%	1 374	4,91%	6 183	4,74%	562	4,79%	2 529	3,67%	10 566	4,29%
<i>From 5000,01 BGN to 7000,00 BGN</i>	290	2,18%	1 827	3,91%	898	3,21%	5 657	4,34%	329	2,80%	2 073	3,01%	9 557	3,88%
<i>From 7000,01 BGN to 10000,00 BGN</i>	239	1,79%	2 151	4,61%	842	3,01%	7 578	5,81%	398	3,39%	3 582	5,20%	13 311	5,41%
<i>From 10000,01 BGN to 12000,00 BGN</i>	113	0,85%	1 220	2,61%	411	1,47%	4 439	3,40%	129	1,10%	1 393	2,02%	7 052	2,87%
<i>From 12000,01 BGN to 13333,33 BGN.</i>	63	0,47%	754	1,62%	218	0,78%	2 609	2,00%	63	0,54%	754	1,09%	4 118	1,67%
<i>From 13333,34 BGN to 26 666,66 BGN</i>	346	2,60%	8 283	17,74%	1 116	3,99%	26 717	20,47%	464	3,95%	11 108	16,11%	46 108	18,73%
<i>From 26 666,67 BGN to 33 333,33 BGN</i>	82	0,62%	2 458	5,26%	314	1,12%	9 411	7,21%	124	1,06%	3 716	5,39%	15 584	6,33%
<i>From 33 333,34 BGN to 44 444,44 BGN</i>	105	0,79%	3 147	6,74%	268	0,96%	8 032	6,16%	148	1,26%	4 436	6,43%	15 614	6,34%
<i>Over 44 444,45 BGN</i>	437	3,28%	13 097	28,05%	1 168	4,17%	35 005	26,83%	972	8,28%	29 131	42,25%	77 233	31,38%
Total	13 324	100,00%	46 686	100,00%	27 980	100,00%	130 492	100,00%	11 744	100,00%	68 941	100,00%	246 120	100,00%

**Stock exchange capitalization and financial instruments, eligible to compensation
as of 31.12.2008**

/ in thousands BGN/

<i>Year</i>	I.2008	II.2008	III.2008	IV.2008	V.2008	VI.2008	VII.2008	VIII.2008	IX.2008	X.2008	XI.2008	XII.2008
<i>Total stock exchange capitalization</i>	24 212 741	25 516 866	23 249 191	22 310 710	22 447 399	19 133 111	16 902 449	17 095 998	13 623 807	11 321 994	10 848 466	10 791 086
<i>Financial instruments, eligible to compensation /investment intermediaries with a minimum required capital of 1,5 mln. BGN/</i>	659 127	841 708	631 419	598 797	585 918	620 586	509 195	604 139	528 353	502 297	504 418	401 194
	2,72%	3,30%	2,72%	2,68%	2,61%	3,24%	3,01%	3,53%	3,88%	4,44%	4,65%	3,72%
<i>Financial instruments, eligible to compensation /investment intermediaries with a minimum required capital of 250 thousand BGN/</i>	171 143	202 442	199 048	186 257	189 396	208 994	181 012	195 394	166 431	136 133	108 822	129 037
	0,71%	0,79%	0,86%	0,83%	0,84%	1,09%	1,07%	1,14%	1,22%	1,20%	1,00%	1,20%
<i>Financial instruments, eligible to compensation /commercial banks/</i>	1 408 152	1 377 268	1 292 932	1 240 735	1 412 362	1 411 716	1 341 621	1 480 856	1 354 727	823 180	656 454	628 272
	5,82%	5,40%	5,56%	5,56%	6,29%	7,38%	7,94%	8,66%	9,94%	7,27%	6,05%	5,82%
<i>Financial instruments, eligible to compensation /total/</i>	2 238 422	2 421 418	2 123 399	2 025 789	2 187 676	2 241 296	2 031 828	2 280 389	2 049 511	1 461 610	1 269 694	1 158 503
	9,24%	9,49%	9,13%	9,08%	9,75%	11,71%	12,02%	13,34%	15,04%	12,91%	11,70%	10,74%

**INVESTMENT INTERMEDIARIES AND COMMERCIAL BANKS MEMBERS OF
THE INVESTOR COMPENSATION FUND AS OF DECEMBER 31ST, 2008**

1	ABV - INVESTMENTS LTD
2	AVAL IN AD
3	ABC FINANCE EAD
4	ADAMANT CAPITAL PARTNERS AD
5	ARGO - INVEST AD
6	ASTRA INVESTMENT AD
7	BALKAN INVESTMENT COMPANY AD
8	BALKAN CONSULTING COMPANY AD
9	DSK BANK EAD
10	PIRAEUS BANK BULGARIA AD
11	BBG SIMEX - BULGARIA LTD
12	BG PROINVEST AD
13	BENCHMARK FINANCE AD
14	BETA CORP AD
15	BORA INVEST AD
16	BOLKAN SECURITIES AD
17	BUL TREND BROKERAGE LTD
18	BULBROKERS AD
19	BULEX INVEST AD

20	BULFIN INVEST AD
21	BULGARIAN AMERICAN CREDIT BANK
22	VARNA INVESTMENT INTERMEDIARY AD
23	VARCHEV FINANCE LTD
24	GLOBAL MARKETS LTD
25	D.I.S.L. SECURITIES AD
26	DELTA STOCK INVESTMENT INTERMEDIARY AD
27	DZI - INVEST AD
28	DEALING FINANCIAL COMPANY AD
29	EURO - FINANCE AD
30	EURO GARANT AD
31	EURODEALING AD
32	ELANA TRADING AD
33	EFG SECURITIES BULGARIA AD
34	EMPORIKI BANK BULGARIA EAD
35	ZAGORA FINACORP AD
36	ZLATEN LEV BROKERAGE LTD
37	INTERNATIONAL ASSET BANK
38	INTERCAPITAL MARKETS AD
39	MAKKAP BROKERS AD
40	FAVORIT AD
41	CAPITAL ENGINEER PROJECT LTD
42	CAPITAL FINANCE LTD

43	KAPMAN AD
44	KD SECURITIES EAD
45	KBC SECURITIES N.V - BULGARIA BRANCH
46	CAPITAL MARKETS AD
47	KM INVEST EAD
48	CORPORATE COMMERCIAL BANK AD
49	LEADER INVEST AD
50	MAKLER - 2002 AD
51	METRIK AD
52	NABA INVEST AD
53	BULGARIAN DEVELOPMENT BANK AD
54	UNITED BULGARIAN BANK AD
55	MUNICIPAL BANK PLC
56	POZITIVA AD
57	POPULYARNA CASA - 95 AD
58	FIRST FINANCIAL BROKERAGE HOUSE LTD
59	FIRST INVESTMENT BANK AD
60	RAIFFEISENBANK (BULGARIA) AD
61	REAL FINANCE AD
62	ROCK RIDGE INVESTMENT EAD
63	SOCIETE GENERALE EXPRESSBANK
64	SII SECURITIES AD
65	CITIBANK N.A. - SOFIA BRANCH

66	SOMONY FINANCIAL BROKERAGE LTD
67	SOFIA INVEST BROKERAGE AD
68	SOFIA INTERNATIONAL SECURITIES AD
69	STANDARD INVESTMENT AD
70	STATUS INVEST AD
71	CIBANK AD
72	ALLIANZ BANKBULGARIA AD
73	INVESTBANK AD
74	MKB UNIONBANK AD
75	TBI INVEST LTD
76	TOKUDA BANK AD
77	D COMMERCE BANK AD
78	UNICREDIT BULBANK AD
79	FACTORY AD
80	FIKO INVEST LTD
81	FK EVER AD
82	FK KAROLL AD
83	FK FINA - S AD
84	CENTRAL COOPERATIVE BANK AD
85	TEXIM PRIVATE ENTREPRENEURIAL BANK AD
86	UG MARKET
87	EUROBANK EFG BULGARIA AD

Annex № 4

**ASSET MANAGEMENT COMPANIES MEMBERS OF THE INVESTOR
COMPENSATION FUND AS OF DECEMBER 31ST, 2008**

1	AVRORA CAPITAL
2	ALPHA ASSET MANAGEMENT COMPANY
3	AKTIVA ASSET MANAGEMENT
4	ASTRA ASSET MANAGEMENT
5	BENCHMARK ASSET MANAGEMENT
6	BALKAN CAPITAL MANAGEMENT
7	BULDEV MANAGING COMPANY
8	VARCHEV MANAGING COMPANY
9	DSK ASSET MANAGEMENT
10	EKSPAT ASSET MANAGEMENT
11	ELANA FUND MANAGEMENT
12	EVER ASSET MANAGEMENT
13	ZAGORA FINACORP ASSET MANAGEMENT
14	INVEST FUND MANAGEMENT
15	CAPMAN ASSET MANAGEMENT
16	KAROL CAPITAL MANAGEMENT
17	KD INVESTMENTS
18	CAPITAL MARKETS ASSET MANAGEMENT
19	KTB ASSET MANAGEMENT
20	NEW WAY ASSET MANAGEMENT
21	UBB ASSET MANAGEMENT

22	MUNICIPAL BANK ASSET MANAGEMENT
23	OVERON FINANCE AD
24	FIRST FINANCIAL BROKERAGE HOUSE ASSET MANAGEMENT
25	RAIFFEIZEN ASSET MANAGEMENT
26	REAL FINANCE ASSET MANAGEMENT
27	SENTINEL ASSET MANAGEMENT
28	SINERGON ASSET MANAGEMENT
29	SOMONY ASSET MANAGEMENT
30	STANDART ASSET MANAGEMENT
31	STATUS CAPITAL
32	SYEDINENIE ASSET MANAGEMENT
33	TITAN ASSET MANAGEMENT
34	TBI ASSET MANAGEMENT
35	ZLATEN LEV CAPITAL
36	OPTIMA ASSET MANAGEMENT
37	ULTIMA CAPITAL MANAGEMENT
38	CCB ASSET MANAGEMENT
39	UG MARKET FUND MANAGEMENT