



Annual Report
2011



Investor Compensation Fund

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Abbreviations:

ABB – Association of Banks in Bulgaria;

AMC – Asset Management Companies;

BAAMC – Bulgarian Association of Asset Management Companies;

BALII – Bulgarian Association of Licensed Investment Intermediaries;

BNB – Bulgarian National Bank;

BSE – Bulgarian Stock Exchange;

CB – Commercial Banks;

EC – European Commission;

EEA – European Economic Area;

EFDI – European Forum of Deposit Insurers;

EP – European Parliament;

EU – European Union;

FSC – Financial Supervision Commission;

GS – Government Securities;

ICF – Investor Compensation Fund;

II – Investment Intermediaries;

LMIF – Law on Markets in Financial Instruments;

LPOS – Law on Public Offering of Securities;

MB – Management Board;

MF – Ministry of Finance;

ROOICF – Regulation of Operation and Organization of Investor Compensation Fund.

1. MANAGEMENT AND ADMINISTRATION

In 2011 the Management Board of the Fund consisted of the following members:

- Mileti Mladenov – Chairman
- Irina Martseva - Member
- Atanas Boichev - Member
- Pavlina Anatchkova-Kantareva - Member

On the 25th of January 2012 Mrs. Teodora Yakimova-Drenska was elected as a Deputy Chairperson of the Management Board of the Investor Compensation Fund.

The Fund is managed by a Management Board (MB), whose decisions are related to the compensation payments, investment of the Fund's resources, adoption of administrative documents, which should be created and announced in accordance with the legal requirements as well as all other issues related to the participation and obligations of the investment intermediaries to the Fund.

In 2011 thirteen meetings of the Fund's MB were held, 54 issues were discussed and 37 decisions were taken.

The Chairman of the MB is responsible for the operational management of the Fund and he manages the Fund's administration.

The administration of the Fund consists of five employees. As of 31st of December 2011 there are four people working on a labour contract in the Fund.

In the past year there were no cases for activation of the investor compensation scheme despite there was a case of fraud to the clients of an investment intermediary whose funds were recovered by the investment intermediary after intervention by the Financial Supervision Commission (FSC).

As of the end of 2011 the Fund's MB took a decision to keep the size of the rate of the annual contribution for 2012 equal to the size of the rate for 2011.

As of the end of 2011 the Fund's MB took a decision to keep the size of the rate of the annual contribution equal to the rate that was applied in the previous year..



Thereby, in 2012 investment intermediaries are going to contribute 0,5% of the monthly average amount of the clients' money, eligible to compensation, which is the maximum amount of the annual contribution

foreseen in the law and 0,05% of the monthly average amount of the rest of the clients' assets, eligible to compensation, which is half of the maximum amount set in the Law. The decision of the MB to keep the annual contribution at a lower level than the maximum one is due to the state of the capital market in the country, despite the fact that such a step could lead to lower revenues for the Fund.

In the past year five investment intermediaries dropped off the scheme as well as one asset management company.

The Fund continued to cooperate successfully with national institutions and organizations as the Ministry of Finance (MF), the FSC, the BNB, the Bulgarian Association of Licensed Investment Intermediaries (BALII), the Bulgarian Association of Asset Management Companies (BAAMC), the Association of Banks in Bulgaria (ABB) and others.

In relation with its membership as an associated member in the European Forum of Deposit Insurers (EFDI) the Fund hosted a meeting of the Working group on Investor Compensation Schemes, where representatives of the European Commission (EC) and of the European Parliament (EP) attended as well.

2. LEGAL FRAMEWORK

In 2011 the Fund's activities were in accordance with the requirements of the national legislation and the internal rules of the Fund. The legal acts that directly affect the Fund's activities are the Law on Public Offering of Securities (LPOS), Law on Markets in Financial Instruments (LMFI), Regulation of Operation and Regulation of Investor Compensation Fund (ROOICF), Ordinance №23 of the FSC as well as the adopted by the MB of the ICF internal rules.

At the end of the last year the FSC published a draft of the Ordinance on the Sequence and Order of Compensation Payments made by the Fund. That legal act is an important part of the process of compensation payments to investors and in that relation the Fund actively participated in the preparation of the draft ordinance, as at the end of 2011 the Fund sent its statement on the draft ordinance prepared by the FSC. *

* The Ordinance was published in the State Gazette, Issue №33, as of 27th of April 2012.

The discussion on the proposed changes in the Directive 97/9/EC on investor compensation schemes that has started since 2010 was not finalised in 2011. Experts from the Fund participated in that discussion as a part of the Bulgarian working group chaired by the MF. The issues on the level and scope of the protection provided to the investors in the EU as well as other issues, related to the schemes' activities were discussed. The last compromise proposal of the Presidency of the EU Council foresees minimum level of compensation of 30 000 EUR for 100% of the investors' claims. That proposal was accepted by the majority of the member-states but it was not supported by the EC and the EP. A significant part of the controversial issues were dropped in the last compromise draft but it was not supported by the EC. The discussion of the proposal is in a phase of a trialogue between the EC, EP and the EU Council. At the beginning of 2012 the discussion was temporarily ceased as it was given priority to the discussion on the amendments of Directive 94/19/EC on deposit guarantee schemes.

3. FUND'S ACTIVITIES

The activities of the Fund are directed to compensation payments to the clients of investment intermediaries in cases when investment intermediaries are not able to recover clients' money and financial instruments due to reasons related to their financial state.

In 2011 there was a case of misuse of clients' assets but that did not lead to compensation payments from the Fund.



In 2011 there were no cases of compensation payments. For that reason the Fund's activities were directed to the collection of the contributions due by the investment intermediaries within the legal deadline; management of the accumulated funds in accordance with the Investment Policy of the Fund; collection and analyses of the information on clients' assets, managed by the participants in the scheme as well as other issues related to the Fund's activities.

3.1 Fund's resources

As of 31st of December 2011 the accumulated funds by the Fund equalled to 9,34 million BGN and they were invested in short term deposits and government securities (GS) in accordance with the legal requirements. The majority of the Fund's resources are accumulated by entry and annual contributions from the participants as well as from revenues from investments. The Fund's resources are accumulated, invested and spent in accordance with the provisions in the LPOS, ROOICF and the internal rules of the Fund. The Bulgarian National Audit Office and the FSC supervise the collection, investment and spending of the accumulated funds.

The Fund's budget for 2011 was adopted by a decision of the FSC and it is 352 thousand BGN. The maintenance expenditures of the Fund for 2011 equalled to 90,39% of the annual budget of the Fund, i.e. there were savings of 9,6%.

The Fund's profit before taxes for 2011¹ was 277 thousand BGN on which the Fund paid a corporate tax at the amount of 27 thousand

BGN. Thus, the Fund's net profit for 2011 was 250 thousand BGN.

3.1.1 Contributions

All participants in the scheme are obliged to pay contributions to the Fund, where the level of the applied rate is determined each year by the MB and it reflects the state of the capital market in the country as well as the possible obligations of the Fund to the investors. The amount of the annual contributions for 2011 is determined by a decision of the MB and it is as follows:

- 0,5% on the average monthly amount of clients' money, eligible for compensation for 2010, and
- 0,05% on the average monthly amount of the rest of the clients' assets, eligible to compensation for 2010.

The revenues from the participants' contributions in 2011² were at the amount of 795 thousand BGN, incl. 17 500 BGN from entry contributions.

Fig. № 1 shows the share of the annual contributions made by investment intermediaries and commercial banks. The

¹The annual profit is calculated on the basis of financial revenues increased (decreased) with the profit (loss) generated from the revaluation of GS and decreased by the administrative expenses of the Fund for the current year.

² In 2011 one fourth of the annual contributions due for 2010 were paid till the 30th of January 2011 and three fourth of the annual contributions due for 2011 were transferred to the Funds' accounts.

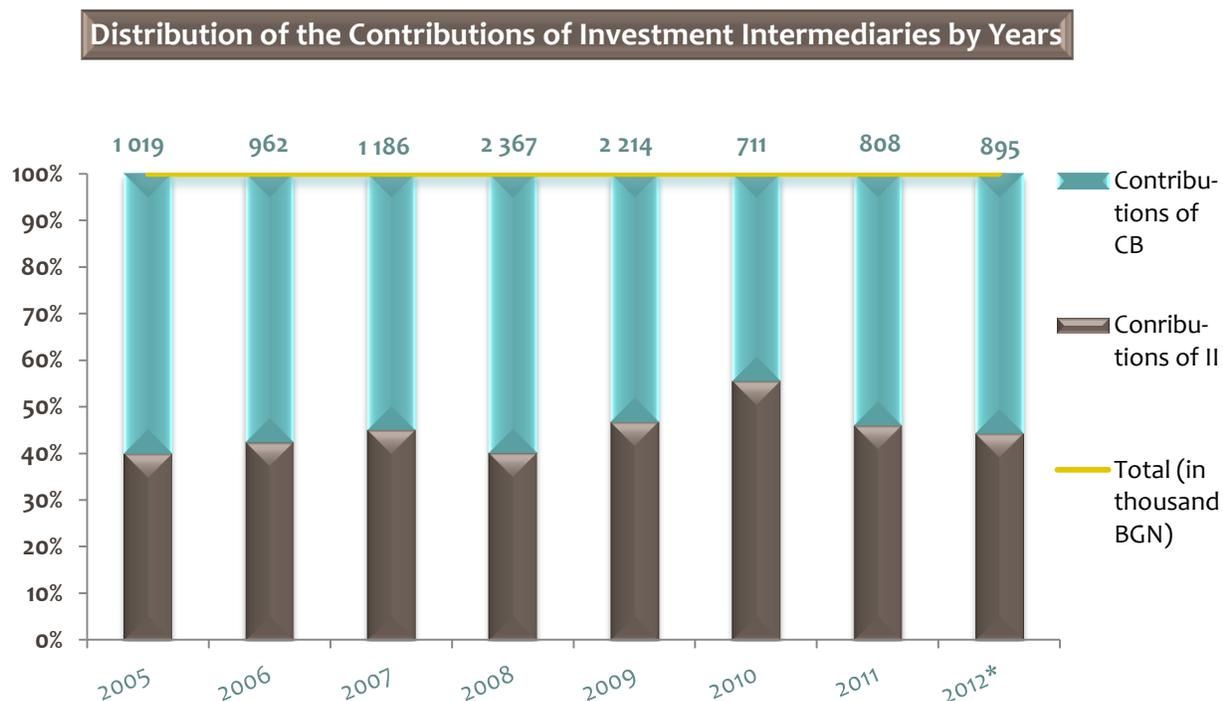
annual contributions for 2011 were 808 thousand BGN and compared to 711 thousand BGN in 2010 there was an increase of 13,6%³. The increase was due to the growth in the amount which was used as a basis for the calculation of the annual contributions. Nevertheless, the amount of the annual contributions continued to be far below the pre-crisis levels.

Another reason for the decreased level of the

annual contributions was the decision of the MB to decrease by half the rate of the annual contributions that was due on financial instruments.

The annual contributions that were paid by the banks – investment intermediaries in 2011 were a bit more than the annual contributions paid by the non-bank investment intermediaries (54% of the total amount of the annual contribution due for 2011).

Fig. № 1



*By preliminary data of the ICF

Source: ICF

³ The annual contribution for 2011 is paid in four equal parts after the end of each quarter. In 2011 three fourth of the annual contribution due for 2011 were transferred to the Fund and the fourth part was transferred to the Fund in 2012.

The preliminary calculations for the annual contributions due for 2012 indicated expectations for higher annual contributions by 90 thousand BGN for 2012 compared to 2011.

3.1.2 Investments

The Fund's investments are in accordance with the provisions of the LPOS and the adopted by the Fund "Investment Policy". When taking investment decisions the priority of the MB is the security of the investments and their liquidity.

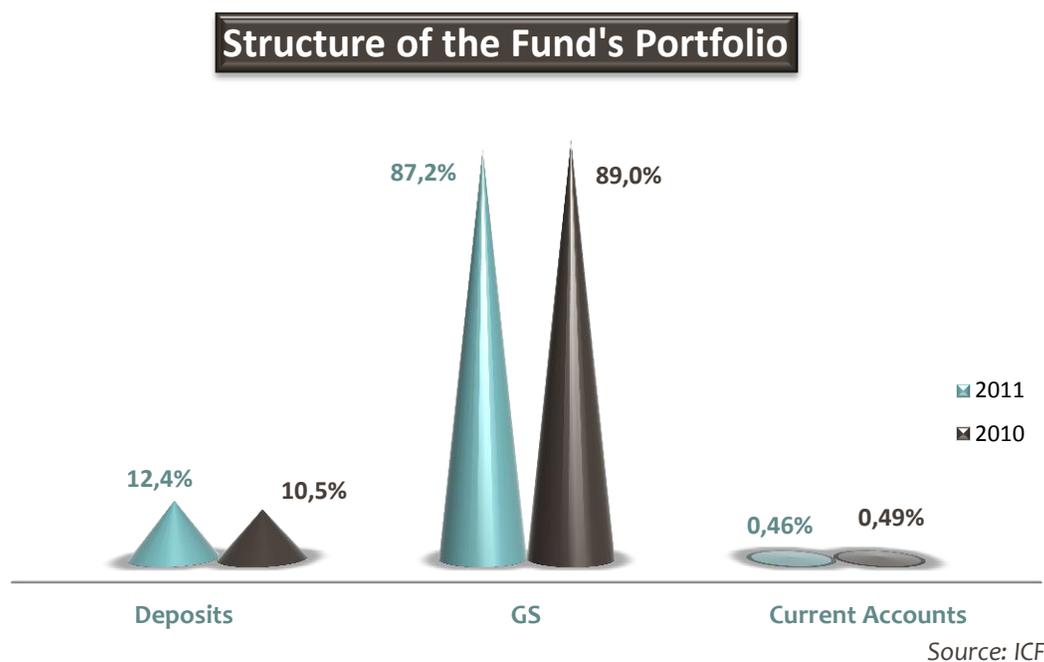
In 2011 new software for investments' management was implemented, which gave higher possibilities for estimations and analyses of the Fund's investments. The functionalities of the software give possibilities for analyses of the Fund's portfolio, preparation of check-ups on the state of investments, incl. the calculation of different indicators as yield and duration. The software also allows a complex estimation of the investment transactions in each past, current or future period which is of significant importance for the effective management of the Fund's resources. Taking into consideration the expansion of the Fund's

portfolio such type of software products are very useful in taking investment decisions.

Fig. № 2 shows the portfolio structure as of the end of 2011 and as of the end of 2010. There was a slight increase in the share of investments in GS, which were the majority of the Fund's portfolio. Approximately 12% of the Fund's investments were in short term deposits and a small part of 0,5% - on current accounts.

The revenues from Fund's investments in 2011 were 542 thousand BGN compared to 593 thousand BGN in 2010. They included interest yields gained on deposits, coupon payments on GS and profit (loss) from GS revaluation. The main reason for the lower financial revenues in 2011 compared to 2010 was the lower profit reported on the GS revaluation. On the other hand, the revenues from coupon payments on GS were with 8,6% higher compared to 2010, which was mainly due to the higher share of the GS in the Fund's portfolio.

Fig. N° 2

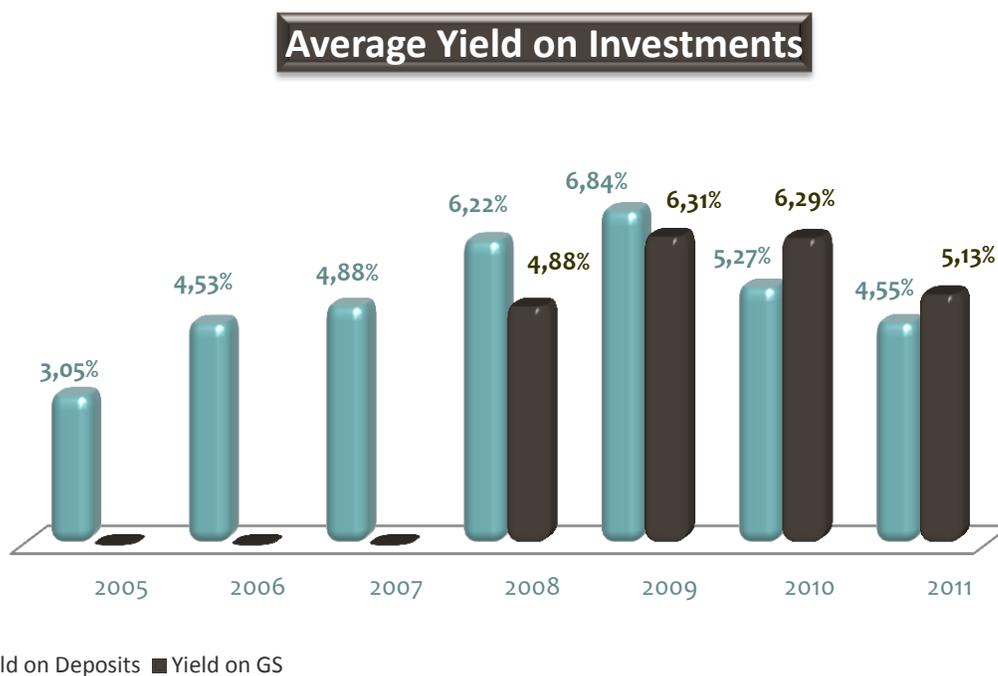


The interest yields gained on deposits indicated an insignificant decrease in nominal terms. The lower revenues from the investments in deposits were due to the lower levels of the interest rates in 2011

compared to 2010. The realised average yield on deposits and GS from 2005 to 2011 is represented on Fig. N°3⁴.

⁴ The average yield on investments is calculated as a ratio of the sum of the yield gained from investments in the year (respectively interest yield gained on deposits and coupon payments on GS) and the average weighted amount of the portfolio in deposits and GS. The revenues from GS revaluation are not included.

Fig. № 3



Source: ICF

In 2011 the realised gains from interest yields on deposits were 4,55% and the realised gains from coupon payments on GS were 5,13%.

Fig. № 4 shows the maturity structure of the portfolio as of 31st of December 2011 and as of 31st of December 2010, including investments in GS and short term deposits. Approximately 51% of the investments were with a maturity up to 5 years and 49% - with maturity from 5 to 10 years. The increase in

the share of investments with maturity up to 1 year (from 12% in 2010 to 26% in 2011) was due to the decrease in the share of investments with maturity from 1 to 3 years. The rest of the maturity bands were approximately with equal shares in the last two years as there was a slight increase in the investments with the longest maturity (from 21% in 2010 to 24% in 2011).

Fig. Nº 4

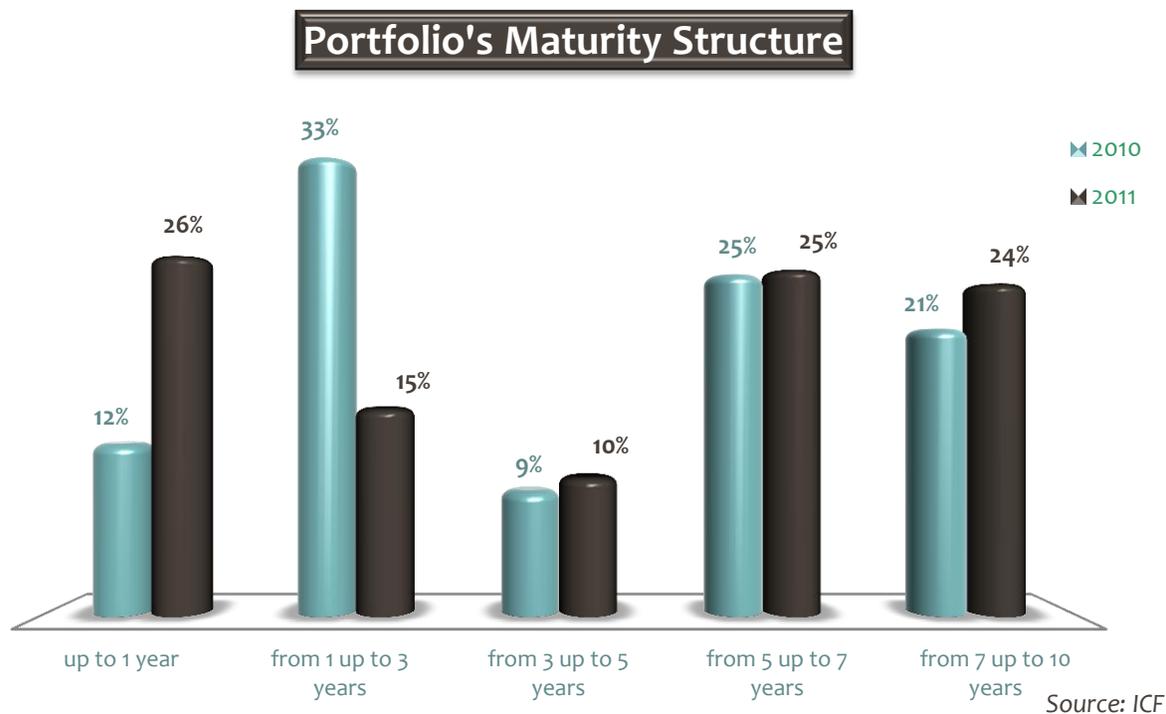


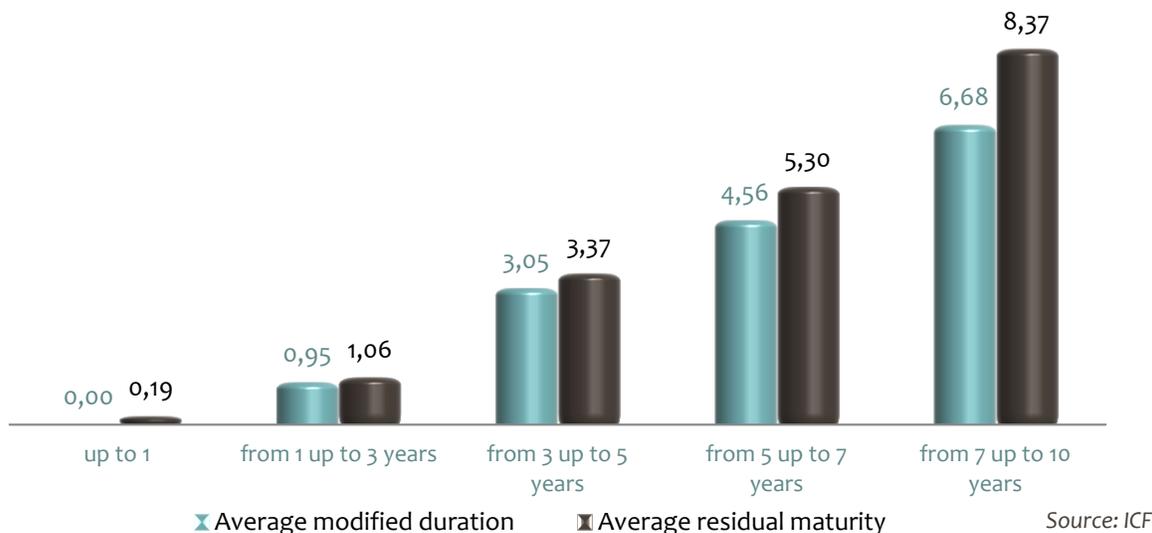
Fig. Nº 5 shows the modified duration and the average maturity of the investments by types of GS compared to their maturity structure as of 31st of December 2011.

As of 31st of December 2011 the average maturity of the Fund's investments in GS was 4,29 years⁵ and the average weighted modified duration of the portfolio of GS was 3,08 years.

⁵ The average maturity of the portfolio is calculated as the amount of the maturities of all investments weighted with the share of the respective investment to the total amount of the invested funds.

Fig. № 5

Modified Duration and Average Residual Maturity of GS by Maturity Structure



3.2 Participants

As of the end of 2011 the Fund's participants were 105 (see Appendix № 1). In 2011 six participants dropped off the scheme – five non-bank investment intermediaries and one asset management company. Two of the licenses were revoked by the FSC due to imposed administrative measures and the rest of the licences' withdrawals were on voluntary basis.

For the first time since June 2009 new non-bank investment intermediaries joined the scheme – one of those intermediaries is with a partial licence (with a minimum required capital of 250 thousand BGN) and the other investment intermediary is with a full licence (with a minimum required capital of 1,5 million BGN). In 2011 both investment intermediaries did not manage clients' assets.

*In 2011 two non-bank
investment intermediaries
joined the scheme.*



Thus, as of 31st of December 2011 there were 49 non-bank investment intermediaries, 23 commercial banks-investment intermediaries and 33 asset management companies participating in the scheme.

As of 31st of December 2011 the number of investment intermediaries with established branches abroad was 3 compared to 1 investment intermediary as of 31st of December 2010. As of the end of 2011 there were 12 investment intermediaries in the country acting on the principle of the freedom to provide services, i.e. they were two more compared to the 31st of December 2010.⁶ The countries where investment services are provided through a branch are six – Romania, Hungary, Poland, Italy, the Netherlands and Norway (which is a member of the EEA). Investment services are provided freely on the territory of all EU member states. The Fund protects the clients of Bulgarian investment intermediaries which are performing services by branches or acting on the principle of the freedom to provide services.

3.2 Clients' assets managed by the participants

In 2011 the Fund guaranteed 90% of the clients' claims up to 40 000 BGN. By the data provided by the participants in the scheme the total amount of clients' assets, eligible to compensation as of the end of 2011 was 1,6 billion BGN and the total amount of unprotected clients' assets was 12,9 billion BGN.

Table № 1 shows the amounts of financial instruments and clients' money, held by the participants in the scheme as of 31st of December 2011 divided by types of participants – non bank investment intermediaries, commercial banks-investment intermediaries and asset management companies.

⁶ In accordance with the list of investment intermediaries that have the right to perform and provide investment services on the territory of other EU member-states as of 22nd of December 2011 published on the FSC Internet site.

**Table № 1. Clients' Assets, managed by the Participants in the Fund
as of 31st of December 2011**

	Clients' assets, eligible to compensation as of 31/12/2011 (1)	Clients' Assets, not eligible to compensation as of 31/12/2011 (2)	Ratio "Clients'assets, eligible to compensation/Clients'assets, not eligible to compensation (3)=(1)/(2)
FI - Commercial banks	1 086 854 631	8 772 371 876	12%
FI - Investment intermediaries	485 912 114	4 107 299 877	12%
CF - Investment intermediaries	34 029 883	11 987 154	284%
FI - Asset management companies	5 005 689	36 335 039	14%
CF - Asset management companies	107 991	238 020	45%
TOTAL:	1 611 910 308	12 928 231 966	12,5%

* FI—Financial instruments; CF - Clients' Funds

Source: ICF

There was a tendency for increase in the amounts of the clients' assets, eligible to compensation as that increase was by 22% on annual basis. The clients' financial instruments, eligible to compensation and managed by investment intermediaries indicated an increase by 34% on annual basis and financial instruments managed by commercial banks increased by 17%. Clients' assets, not eligible to compensation increased by 17% on annual basis and particularly that increase for the non bank investment intermediaries was 43% as it was almost 5 times higher compared to the increase registered by the commercial banks which was hardly 9%. Nevertheless,

the share of clients' assets, not eligible to compensation, held by commercial banks, continued to be significant.

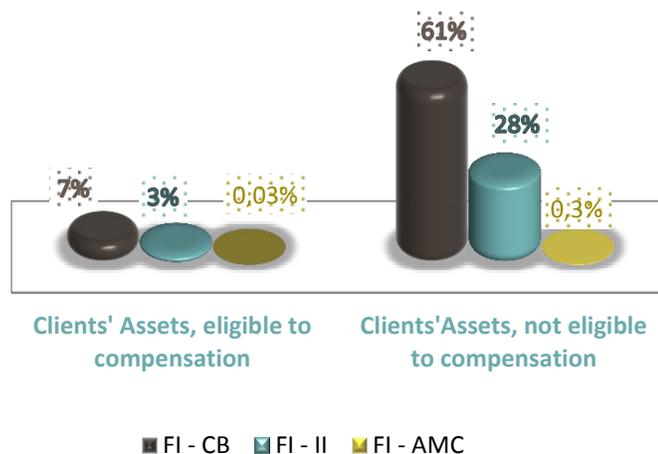
The total amount of financial instruments, eligible to compensation was 1,57 billion BGN of which a bit more than 1 billion was held by commercial banks. There was an increase in the financial instruments, eligible to compensation, held by the assets management companies by 59%, which in absolute terms was approximately 1,8 million BGN. The total amount of the clients' funds, eligible to compensation, was 34 million BGN or 2,1% of the total amount of the clients' assets, eligible to compensation. Clients' funds, not eligible to compensation, decreased by 68% on annual basis.

Fig. № 6 shows the distribution of clients' assets by types of investment intermediaries. The biggest share of clients' assets, eligible to compensation in the total amount of financial instruments is held by the commercial banks – approximately 69%. The same conclusion is valid for the financial instruments (FI), not eligible to

compensation, i.e. there is a significant prevalence of commercial banks over the rest of investment intermediaries regarding both eligible and not eligible to compensation clients' assets as commercial banks manage almost 68% of all financial instruments.

Fig. № 6

Distribution of Clients' Assets by Types of Investment Intermediaries



Source: ICF

In accordance with Art. 77s, para 1 of the LPOS, when the Fund's resources exceed 5% of the total amount of clients' assets, held by all investment intermediaries, the collection of the annual contributions should be ceased. As of 31st of December 2011 5% of the protected clients' assets equalled to 80,1 million BGN compared to

66 million BGN as of 31st of December 2010 (e.g. there was an increase by 14,1 million BGN). At the same time the accumulated resources by the Fund increased only by 1 million BGN for the respective period.

Table № 2 shows clients' assets, eligible to compensation, stock exchange

capitalization and GDP as of 31st of December 2011. The share of the total amount of clients' assets, eligible to compensation in the total amount of stock exchange capitalization increased by 1

percentage point on an annual basis. That increase was mainly due to an increase in the amount of clients' assets, eligible to compensation.

Table № 2. Clients' Assets, Stock Exchange Capitalization and GDP as of 31st of December 2011

	2011	2010	2009	2008
Clients' assets, eligible to compensation (in million BGN)	1 612	1 322	1 259	1 314
Stock Exchange Capitalization (in million BGN)	12 436	10 754	11 796	12 461
Ratio Clients' Assets/Stock Exchange Capitalization	12,96%	12,00%	11,00%	11,00%
GDP (in million BGN)	75 265	70 474	68 322	69 295
Ratio Stock Exchange Capitalization/GDP	16,52%	15,00%	17,00%	18,00%

Source: BSE Internet Site; ICF

Annex № 3 shows detailed information by months of the stock exchange capitalization in 2010 and 2011 and the amount of financial instruments, eligible to compensation in the respective years. In 2011 the share of financial instruments, eligible to compensation in the total amount of the stock exchange capitalization varied between 12,71 % and 16,19 %. The average share of the financial instruments, eligible to compensation in 2011 in the total amount of the stock

exchange capitalization was 14,10% compared to 13,10% in 2010.

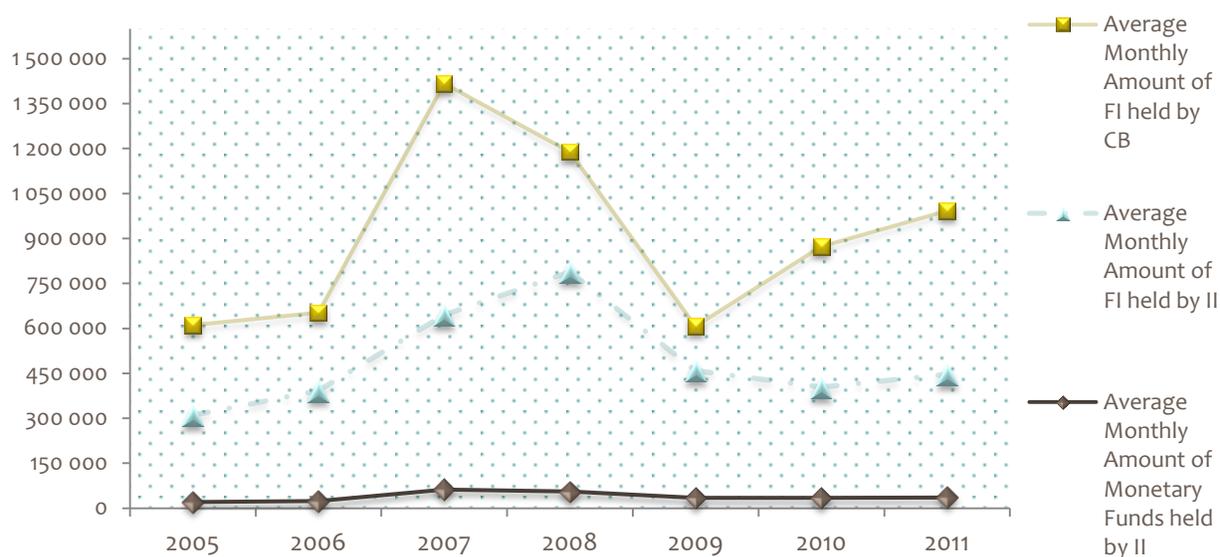
Fig. № 7 shows the average monthly amounts of clients' instruments and clients' money, held by investment intermediaries and banks by years. In 2011 the average monthly amount of financial instruments, held by commercial banks was 991 thousand BGN compared to 872 thousand BGN in 2010 (e.g. there was an increase of 13,8%). The average monthly amount of financial instruments, held by investment intermediaries in 2011 was 446 thousand

BGN compared to 403 thousand BGN in 2010 (e.g. there was an increase of 10,4%). It is obvious that the rate of recovery in the amounts of the clients' assets managed by the banks compared to the pre-crisis levels

is faster compared to the amounts of clients' assets held by investment intermediaries.

Fig. № 7

Clients' Assets, eligible to compensation, held by Investment Intermediaries and Commercial Banks /in thousand BGN/



Source: ICF

The average monthly amounts of financial instruments and clients' money are used as a basis for the calculation of the annual contributions paid by the participants in the Fund.

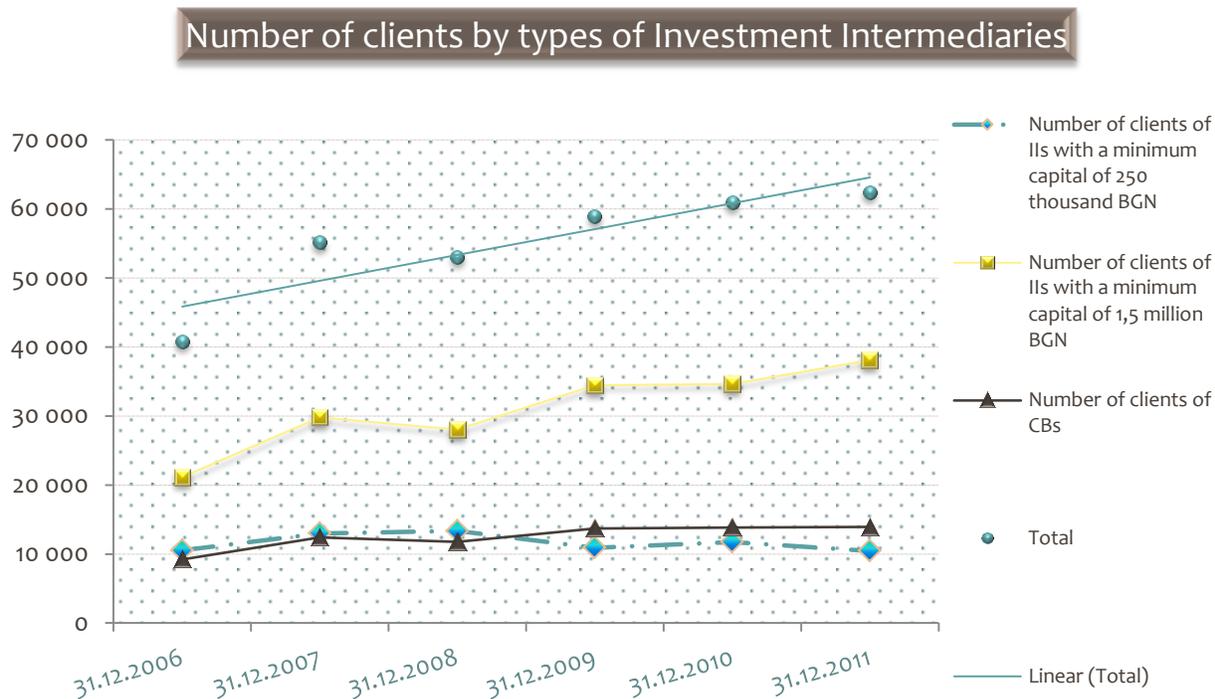
Annex № 2 shows the distribution of the number of clients, eligible to compensation by groups of clients' assets held

respectively by investment intermediaries and commercial banks. The total number of clients, eligible to compensation was a bit over 62 thousand as there was an increase of 3,8% on annual basis. The biggest number of clients belonged to the investment intermediaries with a minimum required capital of 1,5 million BGN (61 % of all clients, eligible to compensation).

Fig. № 8 shows the number of investors, eligible to compensation from the 31st of December from 2006 to the 31st of December 2011. There was a decrease in the number of clients, eligible to compensation only at the investment intermediaries with a minimum required

capital of 250 thousand BGN. The number of clients, eligible to compensation of the non-bank investment intermediaries was about three times higher than the number of clients, eligible to compensation of the commercial banks – investment intermediaries.

Fig. № 8



Source: ICF

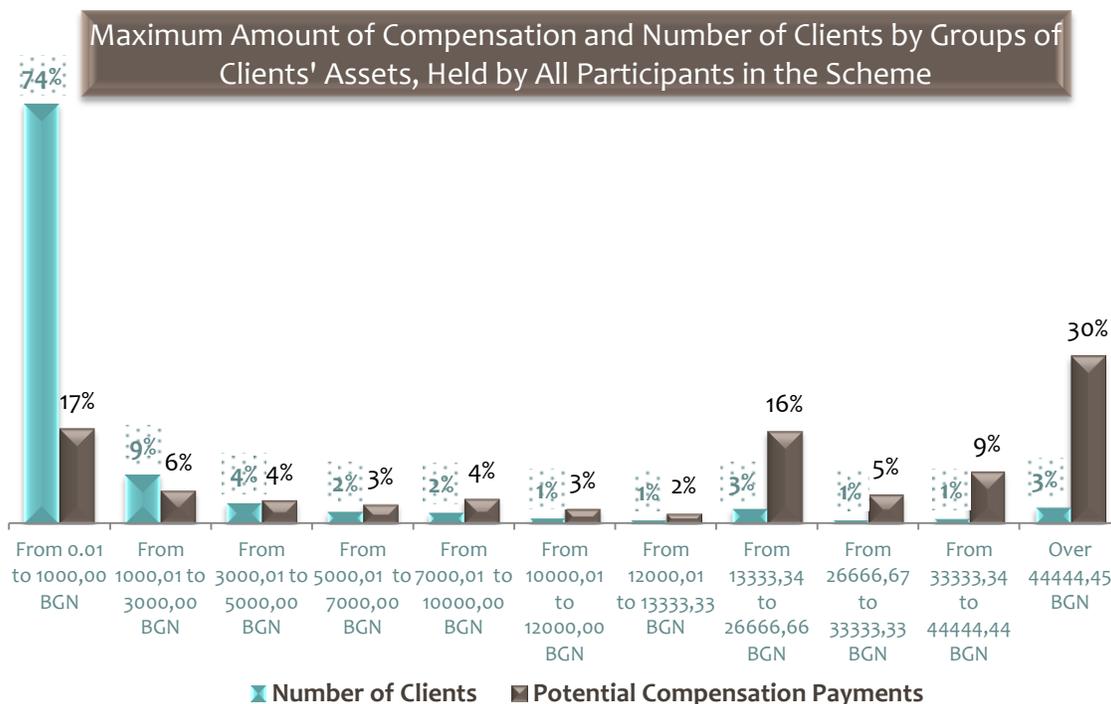
3.3 Potential amount of compensation in case of triggering the scheme

The participants in the Bulgarian scheme submit on semi-annual basis information on the number of clients, distributed by groups of clients' assets and as of the end of each month they submit information on clients' assets, eligible and not eligible to compensation, managed by them. The potential claims of the clients, eligible to compensation, of the participants in the scheme are calculated on that basis.

Fig. № 9 shows the distribution of the number of the clients, eligible to compensation, the amounts of the assets, held by those clients as well as the amounts of the maximum potential compensation⁷.

⁷ The maximum potential compensation to the clients of one investment intermediary is calculated as 90% of the amount of clients' assets, eligible to compensation but not more than 40 000 BGN per investor. The calculations are based on the information provided by investment intermediaries as of 31st of December 2011. Due to the assumptions that the clients, holding assets at the amounts equal to the upper limit of the interval, where they fall, the maximum potential compensation that is calculated is a little bit extended.

Fig. N° 9



Source: ICF

There was a prevalence of the clients with investments up to 1000 BGN (74%), but the potential compensation payments of the scheme to those clients was hardly about 17% of all claims. The biggest exposures that could arise would be to those clients that would receive the maximum amount of compensation of 40 000 BGN despite their insignificant number of 3% of all clients, eligible to compensation. That is an evidence of the effect on the Fund if the limit of compensation payments is increased in accordance with the EC's

Proposal. There was also a significant exposure to the clients, holding assets between 13 333 BGN and 26 666 BGN.

The distribution of the number of clients by groups of clients' assets, held by investment intermediaries and banks, is shown in Annex N° 2. Investment intermediaries have about three times more protected clients compared to commercial banks.

Despite the increase of clients' assets, eligible to compensation and the number of the protected clients in 2011 the total

amount of the potential compensation payments was 243 million BGN compared to 277 million BGN as of the end of 2010. That was due to the significant decrease in the number of investors, holding assets at the amounts over 44 thousand BGN – from 2416 as of 31st of December 2010 to 1844 as of 31st of December 2011 (e.g. there was decrease of 31%).

Table № 3 shows the distribution of the participants in the Fund by the amount of the potential compensation that could be paid by the scheme to the clients of each participant taken on individual basis. As of 31st of December 2011 the Funds' resources would be enough for potential compensation payments for several

investment intermediaries being in the first intervals or for each of the investment intermediaries taken individually being in the intervals up to 9,34 million BGN. The majority of the investment intermediaries fall within the interval of maximum potential compensation payments between 1 and 2 million BGN (22,39%), followed by the interval of compensation payments up to 500 000 BGN. (19,40%). There was a possibility for five participants in the scheme, where the Fund's resources would be insufficient, which could lead to the collection of additional contributions in accordance with the provisions of Art. 77c from LPOS.

Table № 3. Distribution of participants in the Scheme according to the potential compensation payments

Potential compensation payments to the clients of each Investment Intermediary, on Individual basis	Number of participants in the Fund (as of 31 st of December 2011)	Percentage of potential compensation payments by intervals to the total number of Investment Intermediaries
Up to 500 000 BGN	13	19,40%
From 500 000,01 to 1 million BGN	11	16,42%
From 1000 000,01 to 2 million BGN	15	22,39%
From 2 000 000,01 to 3 million BGN	2	2,99%
From 3 000 000,01 to 4 million BGN	6	8,96%
From 4 000 000,01 to 6 million BGN	8	11,94%
From 6 000 000,01 to 8 million BGN	4	5,97%
From 8 to 9,4 million BGN	3	4,48%
Over 9,4 million BGN	5	7,46%

Source: ICF

3.5. International activities

In 2011 the international activities of the Fund were mainly related to the Fund's associated membership in EFDI as well as the cooperation with the investor compensation schemes in the EU member states with which the Fund has bilateral agreements (Romania, Poland and Hungary). As EFDI associated member the Fund hosted a working group meeting of the investor compensation schemes, which was held on the 22nd of September 2011. During that meeting except representatives from EU investor compensation schemes, there were also representatives from the EC and the EP. Issues related mainly to the EC's Proposal for changes in the Directive 97/9/EC on Investor Compensation Schemes were discussed as well as issues related to the

investor compensation schemes' activities on national and international scale.

On the 23rd of September at the Fund's premises a separate meeting with the representatives of the schemes in Hungary, Romania and Bulgaria was held.

At the end of the last year there was another meeting of the EFDI working group that took place in Helsinki, where the Fund was also represented. Fund's experts were included in two working groups related to the EFDI's international activities in the field of investor compensations schemes.

The Chairman of the MB participated in the EFDI Annual Meeting that took place in Belgrade.

The Fund's international cooperation with other investor compensation schemes is among the priorities in the Fund' activities

4. FUND'S ACTIVITIES IN 2012

By its activities in 2012 the Fund is going to contribute to the maintenance of the stability and confidence of the capital market in Bulgaria. Changes in the legislation are initiated, related to the Fund's activities as the Fund is going to participate actively in that process in cooperation with the respective national institutions.

The Fund has implemented different software products, which contributes to the quick and detailed analyses of the information. In 2012 the Fund will continue to improve the software products that it uses and respectively to improve and develop the quality of the information that has been processed as well as the analyses. A full transfer to electronic exchange of information with the participants will be implemented in 2012. It is going not only to decrease the postal expenses but also the time for information transfer.

In 2012 the Fund's experts are going to participate actively in the EFDI's working

groups on issues on investor compensation schemes. In 2012 the Fund will continue its cooperation with the EU investor compensation schemes and the Fund is also going to look for new contacts. These relations and the information exchange is going to contribute to the development and improvement of the Fund's activities.

The Fund will continue to be a correct partner to the participants in the capital market by managing the accumulated funds and investing them in secure and liquid assets, which will allow timely compensation payments in case of necessity.

The stability and the confidence of the capital market are the priorities of the Fund in 2012.



Non-Bank Investment Intermediaries

1	ABC FINANCE AD	26	FIRST FINANCIAL BROKERAGE HOUSE LTD
2	ABV - INVESTMENTS AD	27	FK EVER PLC
3	ADAMANT CAPITAL PARTNERS AD	28	FK FINA - S PLC
4	ARGO - INVEST AD	29	FOKAL POINT INVESTMENTS PLC
5	AVAL IN AD	30	GLOBAL MARKETS LTD
6	AVUS CAPITAL PLC	31	INTERCAPITAL MARKETS AD
7	BALKAN CONSULTING COMPANY AD	32	KAPMAN AD
8	BALKAN INVESTMENT COMPANY AD	33	KAROL AD
9	BBG SIMEX - BULGARIA LTD	34	KM INVEST EAD
10	BENCHMARK FINANCE AD	35	MAKKAP BROKERS AD
11	BETA CORP AD	36	NABA INVEST AD
12	BG PROINVEST AD	37	POPULIARNA CASA - 95 AD
13	BUL TREND BROKERAGE LTD	38	POZITIVA AD
14	BULBROKERS AD	39	REAL FINANCE AD
15	CAPITAL INVEST PLC	40	SOFIA INTERNATIONAL SECURITIES AD
16	CAPITAL MARKETS AD	41	SOMONY FINANCIAL BROKERAGE LTD
17	D.I.S.L. SECURITIES PLC	42	STANDARD INVESTMENT AD
18	DE NOVO EAD	43	STATUS INVEST AD
19	DEALING FINANCIAL COMPANY AD	44	TBI INVEST LTD
20	DELTA STOCK AD	45	TRADEVILLE
21	ELANA TRADING AD	46	UG MARKET PLC
22	EURO - FINANCE AD	47	VARCHEV FINANCE PLC
23	FAKTORI PLC	48	ZAGORA FINACORP AD
24	FAVORIT PLS	49	ZLATEN LEV BROKERAGE LTD
25	FIKO INVEST LTD		



Source: ICF

Commercial Banks – Investment Intermediaries

1. ALLIANZ BANK BULGARIA AD
2. BULGARIAN – AMERICAN CREDIT BANK AD
3. BULGARIAN DEVELOPMENT BANK AD
4. CENTRAL COOPERATIVE BANK AD
5. CIBANK AD
6. CITIBANK H.A.- SOFIA BRANCH
7. CORPORATE COMMERCIAL BANK
8. D COMMERCIAL BANK AD
9. DSK BANK EAD
10. EMPORIKI BANK – BULGARIA EAD
11. EUROBANK EFG BULGARIA AD
12. FIRST INVESTMENT BANK AD
13. INTERNATIONAL ASSET BANK AD
14. INVESTBANK COMMERCIAL BANK AD
15. MKB UNIONBANK AD
16. MUNICIPAL BANK AD
17. PIRAEUS BANK BULGARIA AD
18. RAIFFEISENBANK (BULGARIA) AD
19. SOCIETE GENERALE EXPRESSBANK AD
20. TEXIMBANK AD
21. TOKUDA BANK AD
22. UNICREDIT BULBANK AD
23. UNITED BULGARIAN BANK AD



Source: ICF

Asset Management Companies

1	ADAMANT CAPITAL MANAGEMENT EAD	18	KD INVETSMENTS EAD
2	AKTIVA ASSET MANAGEMENT AD	19	KTB ASSET MANAGEMENT AD
3	ALPHA ASSET MANAGEMENT COMPANY EAD	20	MUNICIPAL BANK ASSET MANAGEMENT EAD
4	ASTRA ASSET MAMAGEMENT AD	21	RAEL FINANCE ASSET MANAGEMENT AD
5	AVRORA CAPITAL AD	22	RAIFFEISEN ASSET MANAGEMENT EAD
6	BALKAN CAPITAL MANAGEMENT AD	23	SAGLASIE ASSET MANAGEMENT AD
7	BENCHMARK ASSET MANAGEMENT AD	24	SENTINEL ASSET MANAGEMENT AD
8	CAPMAN ASSET MANAGEMENT AD	25	SOMONI ASSET MANAGEMENT AD
9	CAROL CAPITAL MANAGEMENT EAD	26	STANDARD ASSET MANAGEMENT AD
10	CCB ASSET MANAGEMENT EAD	27	STATUS CAPITAL AD
11	DSK ASSET MANAGEMENT AD	28	TBI ASSET MANAGEMENT AD
12	ELANA FUND MANAGEMENT AD	29	UBB ASSET MANAGEMENT AD
13	EXPAT ASSET MANAGEMENT AD	30	UG MARKET FUND MANAGEMENT AD
14	MANAGEMENT AD	31	ULTIMA CAPITAL MANAGEMENT EAD
15	INTERCARD INVESTMENTS AD	32	VARCHEV MANAGING COMPABY EAD
16	INVEST CAPITAL AD	33	ZLATEN LEV CAPITAL AD
17	INVEST FUND MANAGEMENT AD		



Source: ICF

Distribution of the Number of the Protected Clients and Potential Compensation Payments by Ranges of Clients' Assets as of 31st of December 2011

Ranges of Clients' Assets	Number of Clients by Investment Intermediaries		Potential Compensation Payments by Investment Intermediaries		Number of Clients by Commercial Banks		Potential Compensation Payments by Commercial Banks		Total Amount of Compensation Payments Distributed by Ranges of Clients' Assets by IIs and CBs	
	number	share in the total number	(in thousands BGN)	share in the total amount	number	share in the total number	(in thousands BGN)	share in the total amount	(in thousands BGN)	share in the total amount
From 0,01 BGN up to 1000,00 BGN	37 240	76,8%	33 516	18,9%	9 245	66,6%	8 321	11,8%	41 837	16,85%
From 1000,01 BGN up to 3000,00 BGN	3 881	8,0%	10 479	5,9%	1 595	11,5%	4 307	6,1%	14 785	5,96%
From 3000,01 BGN up to 5000,00 BGN	1 652	3,4%	7 434	4,2%	663	4,8%	2 984	4,2%	10 418	4,20%
From 5000,01 BGN up to 7000,00 BGN	956	2,0%	6 023	3,4%	392	2,8%	2 470	3,5%	8 492	3,42%
From 7000,01 BGN up to 10000,00 BGN	866	1,8%	7 794	4,4%	361	2,6%	3 249	4,6%	11 043	4,45%
From 10000,01 BGN up to 12000,00 BGN	430	0,9%	4 644	2,6%	182	1,3%	1 966	2,8%	6 610	2,66%
From 12000,01 BGN up to 13333,33 BGN	316	0,7%	3 792	2,1%	72	0,5%	864	1,2%	4 656	1,88%
From 13333,34 BGN up to 26 666,66 BGN	1 256	2,6%	30 144	17,0%	442	3,2%	10 608	15,0%	40 752	16,41%
From 26 666,67 BGN up to 33 333,33 BGN	315	0,6%	9 450	5,3%	117	0,8%	3 510	5,0%	12 960	5,22%
From 33 333,34 BGN up to 44 444,44 BGN	454	0,9%	18 160	10,2%	120	0,9%	4 800	6,8%	22 960	9,25%
Over 44 444,45 BGN	1 151	2,4%	46 040	25,9%	692	5,0%	27 720	39,2%	73 760	29,71%
Total	48 517	100%	177 475	100%	13 881	100%	70 797	100%	248 272	100%



Source: ICF

Борсова капитализация и финансови инструменти, подлежащи на компенсация

Година:	2011 г.						2010 г.				
	Борсова капитализация	Процентно изменение в борсовата капитализация през 2011 г. спрямо 2010 г.	Финансови инструменти, подлежащи на компенсация при всички ИП.		Финансови инструменти, подлежащи на компенсация, при ТБ		Финансови инструменти, подлежащи на компенсация, общо при всички посредници		Борсова капитализация	Финансови инструменти, подлежащи на компенсация, общо при всички посредници	
	хил. лв.		хил. лв.	Дял в борс. кап-я	хил. лв.	Дял в борс. кап-я	хил. лв.	Дял в борс. кап-я	хил. лв.	хил. лв.	Дял в борс. кап-я
Месец	(1)	(2) = [(1) - (9)] / (9)	(3)	(4) = (3) / (1)	(5)	(6) = (5) / (1)	(7) = (3) + (5)	(8) = (7) / (1)	(9)	(10)	(11) = (10) / (9)
Януари	11 351 479	0,34%	378 842	3,34%	972 380	8,57%	1 351 222	11,90%	11 313 538	1 163 271	10,28%
Февруари	11 625 027	5,41%	416 449	3,58%	941 177	8,10%	1 357 625	11,68%	11 028 609	1 142 736	10,36%
Март	11 729 407	4,97%	430 270	3,67%	915 238	7,80%	1 345 508	11,47%	11 173 964	1 238 743	11,09%
Април	11 845 165	5,02%	440 533	3,72%	878 296	7,41%	1 318 828	11,13%	11 278 625	1 492 509	13,23%
Май	11 482 457	9,09%	433 069	3,77%	1 047 684	9,12%	1 480 753	12,90%	10 525 741	1 344 272	12,77%
Юни	11 083 309	6,70%	449 492	4,06%	994 535	8,97%	1 444 027	13,03%	10 387 176	1 359 751	13,09%
Юли	11 146 953	7,31%	435 442	3,91%	978 112	8,77%	1 413 554	12,68%	10 387 348	1 282 182	12,34%
Август	12 393 720	16,88%	460 905	3,72%	949 112	7,66%	1 410 017	11,38%	10 603 994	1 234 659	11,64%
Септември	12 072 044	13,02%	445 808	3,69%	952 422	7,89%	1 398 230	11,58%	10 681 789	1 259 843	11,79%
Октомври	12 189 761	18,40%	495 011	4,06%	1 087 436	8,92%	1 582 447	12,98%	10 295 082	1 281 094	12,44%
Ноември	11 293 281	7,01%	474 628	4,20%	1 093 631	9,68%	1 568 259	13,89%	10 553 971	1 288 245	12,21%
Декември	12 435 858	15,64%	485 912	3,91%	1 086 855	8,74%	1 572 767	12,65%	10 754 102	1 287 811	11,98%



Източник: Интернет страница на БФБ; ФКИ