

TCM Group International ehf - CODE OF COMPLIANCE

I Preamble

As members of TCM Group we assume responsibilities to fellow Members of the Group, our industry, our customers, consumers, enterprises and the public at large. In doing so we strive to:

- 1 Consistently maintain the highest standards of business conduct through the use of only legal and ethical means in all operations and debt recovery activity.
- 2 Actively promote and encourage the highest level of integrity within the industry while discouraging any activity that could compromise this integrity.
- 3 Cooperate in every way reasonable and appropriate with other Group Members and work with them to advance the credit and collection industry.
- 4 Be fair and respectful to any person or entity encountered through operations including employees, associates, competitors, customers, the public and employers in all business or professional relationships.
- 5 Maintain honesty and integrity in advertising and in all representations to the public and industry members concerning credit and collection industry products and services.
- 6 Develop and use the highest standards and practices for processing and handling consumer, business, customer and competitor disputes using TCM Group's Code of Operations and Code of Compliance as guidance documents.
- 7 Observe all applicable laws, regulations, and rules pertaining to the processing and handling of accounts receivable including the General Data Protection Regulation 2016/679 (GDPR) being a regulation in European Union law on data protection and privacy in the European Union and the European Economic Area. It also addresses the transfer of personal data outside the EU and EEA areas.
- 8 In support of our network's adherence to GDPR, our directors sign a Senior Management Memorandum confirming their commitment to upholding the regulations of GDPR. These Senior Management Memorandum are attached to our TCM Portal and TCM Website.
- 9 Support TCM Group's vision and agree to uphold this Code of Compliance, Code of Operations, and the governing documents of TCM Group International, ehf

II Conditions of Membership

To qualify for and maintain a membership in TCM Group the applicant or member shall:

1. Abide by the TCM Group Code of Compliance, Code of Operations, and Members Agreement (hereinafter collectively referred to as the "Rules").
2. Supply information regarding the nature of the applicant or Member's business, background information about the company policies and **procedures**, and management personnel.
3. Have not within the last ten years been convicted of a crime or found liable in a civil action for actions or inactions relating to credit or collection industry practices or procedures. This can include, but is not limited to crimes relating to fraud, forgery, embezzlement, tax evasion, identity theft, misuse of funds, client trust accounts, or other theft of larceny.
4. Abide by the TCM Group's self-regulation **efforts, its formal and informal** complaint resolution programs relating to inter- and extra-Group disputes, and the Group's Rules.
5. Identify the designated contact person having sufficient responsibility within the organization to deal with complaints to the Group in accordance with the TCM Group's

Rules.

6. Respond promptly to complaints forwarded by the Group or from any other official complaint resolution program adopted by the TCM Group and make a good faith effort to resolve complaints in accordance with the Rules and generally accepted good business practices.
7. Meet all financial obligations, including and without limitation, financial obligations to the Group.
8. Abide by all applicable legislation applicable to our industry, in particular legislation regarding data protection and data privacy laws in your country as well as legislation like GDPR and any other such legislation published in the future.

III General Conduct

Each Member shall act responsibly and with integrity in the day-to-day conduct of its business. Each Member shall:

1. Conduct its business lawfully, comply with all relevant legislation, regulation, and judicial decisions and trade fairly and responsibly.
2. Conduct its business under a name, title, or style which will not confuse or mislead client, creditors, debtors or members of the public, or which will not imply any association with other organizations or persons that it does not actually maintain or that do not exist.
3. Comply with this Code of Compliance and follow any guidance notes issued by the TCM Group.
4. Comply with all applicable debt collections legislation, rules, and regulations. And in particular comply with local data protection and consumer protection legislation as well as GDPR or any other such legislation where applicable.
5. Follow where appropriate any requests conveyed to Members by the TCM Group or enforcement authorities.
6. Provide adequate training for staff, bringing to their attention the principles of this Code of Compliance and requiring them to act in accordance with it while performing their duties.
7. Use plain language in all communications.
8. Show the full business address, telephone number, email addresses, and other relevant contact information on all letter, postcards, and forms
9. Ensure Member's identity is clearly disclosed in all contacts by staff or agents.
10. Ensure that agent's, sub-contractors, and subsidiaries comply with the Group's Rules.
11. Comply with all reasonable requests for information concerning agreements and accounts made by debtors, clients, or their appointed representatives.
12. Keep client information strictly confidential at all times.

IV Legal Conduct

Each Member shall act within the parameters of law within their governing jurisdiction. Additionally, Members shall:

1. Familiarize themselves and all members of their staff with relevant legislation, rules, and regulations.

2. Provide information regarding relevant laws and guidelines to clients, creditors, debtors, or other Members of TCM Group as needed.
3. Ensure strict enforcement of behaviour complaint with the Rules within the Member's organization.

V Ethical Conduct

In addition to a continuing duty to comply with the requirements of any applicable laws, regulations, and rules concerning the credit and collection industry practices, each Member has a duty to:

1. Treat all consumers and other enterprises with consideration and respect in all dealings.
2. Communicate with consumers and other enterprises with honesty and integrity, never attempting to mislead or misrepresent.
3. Provide verification of debt for which the Member has received a written or verbal request for verification by the consumer or business entity. Until verification has been provided, collection activities shall be suspended. If verification cannot be provided in response to a debtor's written request, the Member will:
 - a) Cease all collection activities;
 - b) If applicable, direct or request removal of the item from the consumer or commercial credit report or report the item as disputed to the appropriate credit reporting agencies at the Member's earliest opportunity (if applicable); and
 - c) Notify the forwarding officer, credit grantor, client, or owner of the legal title to the debt that collection activity on the account was terminated due to the inability to provide verification of the debt.
 - d) If requested by the debtor in writing, notify the consumer or business that any collection efforts have been terminated by the Member.
4. In addition to requirements imposed by law or regulation, in instances of alleged identity theft, fraud, or mistaken identity, conduct a reasonable investigation to determine the validity of the debt, the identity of the obligor on the account and the accuracy of the information in the possession of the Member,
5. Not threaten or initiate collection litigation on time barred debts.
6. Seek to obtain access to accurate and complete information about any accounts being purchased by the Member and obtain evidence of the chain of title to the debts being purchased.
7. Adopt an internal code of conduct.
8. Not engage in conduct involving dishonesty, fraud, deceit, or misrepresentation including but not limited to misrepresentation for the purpose of obtaining membership in the TCM Group, a license, a certificate of registration, a certificate, a credential or business related insurance.
9. Not harass, threaten, or coerce a person, including but not limited to, on the basis of race, sex, age, creed, religion, colour, national origin, disability, sexual preference, gender or marital status in connection with a Member's professional business, TCM Group activities or while acting in a representative capacity of the Group.
10. Not engage in dishonourable, unethical, or unprofessional conduct of a nature or character likely to deceive, defraud, or harm a consumer or business, customer, member of the TCM Group or the public.
11. Use reasonable efforts to safeguard the confidentiality, integrity, and availability of consumer information entrusted to the Member's possession and

control.

12. Refrain from using the name or logo of the TCM Group for commercial sales or advertising purposes in a manner not specifically authorized by the TCM Group.
13. Refrain from knowingly representing that it is affiliated with or endorsed by an institution or organization when such an affiliation or endorsement does in fact not exist or that the Members has achieved a professional designation when such achievement does in fact not exist.
14. Make reasonable efforts to ensure the Member, its principals and its employees comply with the laws, regulations, and rules under which the Member performs credit or collection services or debt purchasing and the TCM Group's Rules.
15. Take adequate precautions to distinguish between the Member's personal views and the views of the TCM Group, its subsidiaries and affiliates when communicating with third parties,
16. Not communicate, show or distribute any proprietary or confidential information which the Member acquires in the course of performing duties as a TCM Group Member, officer, director, committee member or instructor which could have a detrimental impact upon the business or reputation of the TCM Group, its affiliates, alliances or subsidiaries or any other member of the TCM Group; nor shall any Member use any such information described herein to promote the Member's self-interest or business interest.
17. Place any Member of the Group or the industry who they suspect, or know to be violating the TCM Group Code of Compliance, Code of Operations or Rules on notice of the alleged violation and seek to identify a solution.

VI Confidentiality

Members must keep in strict confidence any information supplied by debtors or their chosen third party, except where the debtor authorizes disclosure or others permitted or required by the law.

VII Complaints

Each member shall have in place adequate processes to deal with debtors or client complaints; this must contain the following minimum procedure:

- The Management level at which complaints are handled.
 - The time frame in which complaints are handled.
 - The remedy, if the complainant is not satisfied.
 - Complainants must be advised that one of the remedies is referral of the complaint to the Association where appropriate.
1. Members shall deal with complaints speedily, responsively, in a user-friendly fashion and at an appropriate management level.
 2. Member's complaints procedures must be made available to the complainant or his/her advisor on request.
 3. If a complaint is made to the TCM Group in relation to dealings with a member, the Group will deal with the complaint in accordance with the TCM Group complaints procedure.

VIII Enforcement

Any Member may be admonished, suspended or expelled for cause due to conduct, acts or omissions contrary to the Rules. Such conduct, acts or omissions can result in review of membership status by the TCM Group's Complaints Committee. All final actions of TCM Group's board of directors regarding the suspension or expulsion of a Member may become a matter of public record. At the request of the Member, a notice of exoneration may become a matter of public record.

IX Money Laundering

As members mediate orders from creditors domiciled in various countries against debtors residing in various countries and forward such claims to receiving members to collect receivables and in view of both TCM's Code of Operations and all applicable worldwide legal provisions to prevent money laundering and the financing of terrorism, the following Agreement is made:

- All members are obliged to meet certain duties of care to prevent money laundering and the financing of terrorism. The general duties of care in accordance with the TCM Code of Operations are:

“K. Money Laundering - Persons who accept debt collection instructions from any other undertaking, individual or corporate body are obliged to meet the following general duties of care:

- a. The identification of the client / contractual partner and the verification of the identity of that client / contractual partner and where applicable, of any beneficial owner, must take place prior to the establishment of a business relationship or the carrying out of a transaction or service, for that client / contractual partner. In particular, before a member forwards any instruction to collect receivables to any other member, the forwarding member must have taken sufficient steps to identify and verify the identity of that client / contractual partner;
- b. The obtaining of information about the purpose and the desired type of business relationship insofar as in individual cases, these are not already free of doubt as a result of the business relationship, and agreement to exchange such information, with any other member if the forwarding member is so requested to share it;
- c. A declaration whether the client / contractual partner is acting for a beneficial owner and insofar as this is the case their identification, as set out above this includes cases in which the client / contractual partner is not a natural person, the duty to find out the ownership and control structure of the client / contractual partner with appropriate means.”

These duties of care must among others be met in the event of the establishment of a business relationship.

(Los Angeles May 23rd 2012)
(Dubai March 10th 2016)
(Poland May 16th 2017)

I _____ have read the Code of Compliance of TCM Group International, ehf and agree to be bound by the terms of the Code of Compliance and any amendments thereto which may arise as a result of resolutions passed at any Annual General Meeting of the company.

Signed on the _____ day of _____ 20____

By: _____

Country: _____

Name of authorized person: _____

Position: _____

Witnessed by: _____

Witness position: _____