

Data Processing Principles

These Data Processing Principles (hereinafter **Principles**) regulate and describe how AS Avaron Asset Management (hereinafter **Avaron**) processes data related to natural and legal persons.

Avaron handles all client related data with full care by applying appropriate organisational, physical and IT measures to protect it, including restricting access to data also within the organisation. Avaron and its representatives are obliged to keep the data which has become known to us as confidential.

1. Scope

- 1.1. These Principles apply to processing of data related to customers of services rendered by Avaron or unitholders of investment funds managed by Avaron and persons visiting Avaron's website.
- 1.2. Processing of customer data may also be regulated by a contract concluded between Avaron and the customer or the rules and prospectus of investment funds managed by Avaron.
- 1.3. **Customer** shall mean any natural or legal person and their representative who is using, has used or has been in contact with Avaron in respect of using services rendered by Avaron or investing in investment funds managed by Avaron; persons who have expressed their interest in Avaron services or funds (e.g. by providing their contacts to Avaron to receive information on Avaron's funds and investment activities) and Avaron's website users.

2. Data processing

- 2.1. Avaron processes data received from the Customer or a third party connected to servicing the Customer (e.g. counterparty involved in transactions with funds units) or obtained from registers (e.g. Commercial Register, register of securities, payment default register) and other public sources (incl. Internet search engines).
- 2.2. Avaron mainly processes the following data:

Customer's personal data	incl. name, personal identification code, family data, residency and data from identification documents, connections with entities and other third parties, contact data (e-mail, phone number, address, language preferences)
Customer's field of activity	incl. education, job position, experiences in investing
Customer's financial data	incl. income, assets, liabilities, transactions, counterparties, data on the origin of assets, payment default data, investment experience, risk tolerance
Representation rights	incl. legal representatives, proxy holders, authorisation document data
Customer's preferences and satisfaction	incl. data relating to complaints filed, data received from visits to Avaron's website (Customer's language preferences, IP address)
Recordings	incl. photo and video recordings made during the creation of the primary customer relationship via video meeting for identification purposes, correspondence with Avaron's representatives
Transaction data	incl. transaction details, details on accounts opened in the bank

- 2.3. A Customer is obliged to inform Avaron of any changes or inaccuracies in the Customer’s data specified in the contract or other document submitted to Avaron.
- 2.4. Data processing means any operation conducted with Customer data, including collection, recording, reorganisation, modification, publication, use, deletion, etc.
- 2.5. Avaron shall process the Customer data in the minimum extent required for achieving corresponding objectives.
- 2.6. Avaron shall have the right to record any orders and communication placed by any means of communication (incl. telephone, e-mail, chat, Internet bank) and operations conducted by a Customer, and to use, if necessary, the recordings for verification and/or reproduction of orders or other operations.
- 2.7. Avaron retains Customer data only for as long as necessary for the purposes for which it was collected. Upon expiry of the applicable retention period, Customer data is securely deleted or anonymised.
- 2.8. Indicative retention periods by category are:

Customer relationship data	during the contractual relationship and 5 years thereafter
Transaction records	7 years
Contractual data, incl. correspondence and complaints	3 years after the termination of the contract
Marketing preferences and consent records	1 year after the Customer withdraws its consent

3. Legal basis and purposes for data processing

- 3.1. The legal basis for processing Customer data by Avaron:
 - legal obligation under applicable legislation,
 - performance of a contract with the Customer,
 - Avaron’s legitimate interest,
 - Customer’s consent.
- 3.2. Where consent is the applicable legal basis, Avaron will request consent separately and specifically for each purpose before processing commences. Consent will be obtained through an affirmative act (e.g. ticking an unchecked box or a written declaration). Customers may withdraw consent at any time without detriment to any contractual relationship with Avaron; withdrawal does not affect the lawfulness of processing based on consent before its withdrawal.
- 3.3. Avaron processes Customer data on the legal basis for the following purposes:

<i>Purpose</i>	<i>Legal basis</i>
Preparations for entering the Customer relationship, including deciding whether or not, and under which conditions to provide services to a Customer	performance of the contract
Assessing and classifying Customers for the provision of services	performance of the contract
Application of due diligence measures, including monitoring Customer relationships	legal obligation
Offering Avaron’s services or products	legitimate interest
Direct marketing	Customer's consent
Provision of services and complying with requirements imposed on the service	performance of the contract legal obligation

Fulfilling obligations arising from applicable legislation (e.g. requirements deriving from money laundering and terrorist financing prevention act)	legal obligation
Conducting statistical and financial surveys and analyses	legitimate interest
Storage of documentation	legal obligation
Reporting to financial supervisory authorities and tax authorities	legal obligation
Fraud prevention	legitimate interest
Seeking protection against violated or disputed rights	legitimate interest

4. Disclosing Customer data to third parties

4.1. Avaron has the right to disclose Customer data to the following entities:

- to entities belonging to the same group as Avaron;
- to authorised processors of Avaron (detailed information available on request);
- to credit institutions, other financial institutions and other relevant third parties related to the performance of a contract concluded with the Customer (e.g. third party traders or other intermediaries involved in executing Customer's transactions orders) and to perform its obligations pursuant to applicable laws and regulations;
- to service providers to whom Avaron has delegated some of its functions in accordance with applicable laws (e.g. registry of investment fund units);
- to auditors, legal advisors and other service providers of Avaron if the Customer data is required for providing services to Avaron;
- to administrators of public databases in order to perform inquiries into such databases;
- to supervisory authorities and other relevant third parties for fulfilment of the obligations imposed by legal acts;
- to a new creditor in the case of assignment or a right of claims, and to other relevant third parties if the Customer is in breach of its obligations under an applicable contract.

5. Processing of Customer data for direct marketing purposes

- 5.1. Avaron will send direct marketing communications only to Customers who have provided their explicit, separate consent for that purpose.
- 5.2. Consent for marketing is entirely optional and independent of any service agreement. Customers may opt out of marketing communications at any time by following the unsubscribe link included in the communication or by contacting Avaron directly. Withdrawal of marketing consent does not affect the Customer's access to Avaron's services.
- 5.3. Avaron may use email analytics tools (e.g. open-rate and link-click tracking) to measure the effectiveness of its communications. This activity is conducted on the basis of Avaron's legitimate interests.

6. Use of Avaron's website

- 6.1. Avaron's website with domains avaron.com and avaron.ee may collect and process data submitted by the Customer (name, e-mail address, phone number) as requested and/or allowed by the Customer.
- 6.2. Avaron's website uses cookies to personalise content and ads, to provide social media features and to analyse the traffic of our website. Cookies are small text files that can be used by websites to make a user's experience more efficient. Some cookies are placed by third party services that appear on Avaron's pages.

- 6.3. Avaron may share information about Customer’s use of the website with its social media, advertising and analytics partners who may combine it with other information that they have collected from the use of their services.
- 6.4. Avaron uses [Google Analytics](#) for monitoring website’s traffic and [Facebook](#), [LinkedIn](#) and [Twitter](#) for enabling the share button as well as user monitoring on the website. Read more about these cookies from sites linked to the listed names.
- 6.5. Detailed information about cookies, including categories and retention periods, is provided in Avaron’s Privacy Policy, available on Avaron’s website [avaron.com](#).

7. The rights of the Customer as a natural person

7.1. As a natural person, a Customer has the following rights in relation to their personal data:

Right of access	Customer has the right to review his or her data (incl. content and source thereof). Customer can use the right by submitting a respective inquiry to Avaron. Customer also has a right to receive a copy of the Customer’s data.
Right to rectification	Customer may require correction of inaccurate or incomplete data.
Right to erasure	Customer may request deletion where data is no longer necessary, consent is withdrawn (and no other legal basis applies), or data has been unlawfully processed. Such right does not apply if personal data requested to be erased is being processed also based on other legal basis.
Right to restriction	Customer may request to limit the data processing while accuracy is contested, or a relevant objection is pending.
Right to data portability	Customer may demand to receive personal data in a structured and machine-readable format.
Right to object	Customer may object to processing based on legitimate interests or for direct marketing purposes at any time.
Right to withdraw consent	Customer may withdraw his/her consent to the processing of personal data at any time, if the processing of personal data is based on consent.

- 7.2. In case a Customer finds that Avaron violates his or her rights via Customer data processing, a Customer shall have the right to demand Avaron to cease such violation. Every Customer has the right to lodge a complaint with the Estonian Data Protection Inspectorate (*Andmekaitse Inspektsioon*, <https://www.aki.ee/en>) or with the supervisory authority of their country of habitual residence, workplace, or the place of the alleged infringement, without prejudice to any other legal remedy. Avaron encourages Customers to first contact Avaron directly so that concerns may be addressed promptly.
- 7.3. In case a competent authority finds that a Customer's rights have been violated via his or her Customer data processing, a Customer shall have the right to demand compensation from Avaron for the damage caused.

8. Amendment of the data processing principles

8.1. Avaron may amend these Principles at any time in accordance with applicable law. Customers will be notified of the amended Principles via Avaron website <https://avaron.com/>. Where an amendment materially changes processing activities, Avaron will make the notification via its website at least thirty days before the amendments take effect.

8.2. Where an amendment materially changes processing activities that rely on consent as the legal basis, Avaron will seek fresh consent before the amended processing commences. Continued use of Avaron's services after the effective date of non-consent-based amendments constitutes acknowledgement of the updated Principles.

9. Avaron’s contact details

9.1. The data controller in respect of all Customer data processed under these Principles is AS Avaron Asset Management:

registry code	11341336
website	https://avaron.com/
address	Narva road 7d, 10117 Tallinn, Estonia
phone	+372 664 4214
e-mail	invest@avaron.com