



General Terms and Conditions concerning Financial Instruments

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PART ONE: TERMS AND CONDITIONS FOR TRANSACTIONS IN FINANCIAL INSTRUMENTS

A. GENERAL PROVISIONS

Article 1: Application of the terms and conditions

1.1. Contractual relations between Banque et Caisse d'Epargne de l'Etat, Luxembourg (hereinafter the "Bank") and its Customers or potential Customers (hereinafter the "Customer(s)") are governed by the Bank's General Terms and Conditions (hereinafter the "GTC") and by any specific agreements that may be entered into by the parties, in accordance with the laws and regulations in force, as well as banking practices.

1.2. By signing a securities account agreement, through execution of transactions in financial instruments, or when investment services or activities or ancillary services are provided by the Bank, the Bank and its Customers become subject to the provisions set out in article 1.1. above, as well as to these General Terms and Conditions for Financial Instruments (hereinafter the "GTCFI") that are based on regulatory requirements relating to markets in financial instruments (hereinafter "the Regulation"). The concept of "General Terms and Conditions" encompasses the GTC and GTCFI.

1.3. The Bank may modify the GTCFI at any time to take into account any changes made to laws and regulations or to the financial markets. In the event a change is made to the GTCFI, the Bank undertakes to notify the Customer in writing, either by circular letter, via a statement of account, by posting on the Bank's website at www.bcee.lu, or by any other means of communication, as the Bank shall decide.

These changes shall be considered to have been approved by the Customer if the Customer does not inform the Bank of any objection in writing within 30 days after notification of the change.

It is understood that any changes due to legislative or regulatory changes shall be binding on the Customer without prior notice.

Article 2: Authorisation of the Bank

2.1. Banque et Caisse d'Epargne de l'Etat, Luxembourg, is an autonomous public institution authorised to exercise its activity as a credit institution in application of article 2 of the Luxembourg law of 5 April 1993, as amended, concerning the financial sector.

This authorisation was granted by the Luxembourg Minister of Finance. The Luxembourg financial services authority, the Commission de Surveillance du Secteur Financier (hereinafter the "CSSF"), situated at 283, route d'Arlon, L-1150 Luxembourg, exercises the general supervision of credit institutions, as well as specific supervision of compliance with the provisions of the law of 5 April 1993, as amended, relating to the financial sector.

Article 3: Definition of a financial instrument

3.1. Within the meaning of these GTCFI, "financial instruments" or "securities" refer to all securities and other instruments as listed and defined by the legislator in the Regulation, notably transferable securities, money-market instruments, units in collective investment undertakings and certain derivative contracts (options, futures, swaps, forward rate agreements, etc.).

Article 4: Information requirements

4.1. The Bank undertakes, before providing a service, to provide its Customers with adequate information notably relating to its services, the financial instruments and investment strategies offered, and all related costs and associated charges.

4.2. The Bank undertakes to inform the Customer that investments and transactions on financial markets may, in some cases, be of a high-risk and speculative nature, due in particular to spontaneous and unforeseeable changes in the markets.

4.3. For this purpose, Customers receive a document entitled "Investing - A guide for the Investor", which forms an integral part of these GTCFI, the objective of which, among other things, is to make the Customer aware that the value of their investments may be subject to significant fluctuations and that there is a risk of undergoing substantial losses that may, in some cases, exceed the Customer's investments and security.

Article 5: Provision of information

5.1. By providing his e-mail address to the Bank, the Customer formally chooses to have information sent to them by e-mail or via the Bank's website at www.bcee.lu.

Article 6: Depositing financial instruments

6.1. The Customer may deposit or place in custody Luxembourg or foreign financial instruments with the Bank. For this purpose, the Customer must have a securities account and a current account, which will be used to record income from these securities and for the payment of charges and custodial fees.

6.2. The Bank ensures the custody and administration, including the safekeeping, and facilitates the circulation of financial instruments received in custody. The Customer authorises the Bank to deposit said financial instruments with sub-depositaries, which in turn may use the services of another sub-depositary. The sub-depositaries may be located outside the European Economic Area depending on the origin of the financial instruments.

6.3. The Bank shall meet all obligations towards the Customer as provided for by articles 1927 et seq. of the Luxembourg Civil Code. The Bank shall have a supervisory obligation with regard to the Customer's financial instruments deposited with a sub-depositary. The Bank may not be held liable for acts or omissions by the sub-depositaries, except in the case of gross negligence or wilful misconduct on the part of the Bank when selecting the sub-depositary.

6.4. The Customer shall receive a deposit receipt from the Bank that shall stand as the title of ownership, and which shall contain the following details: the number and nominal value of the

financial instruments deposited, the name of the issuer, the coupons attached, the place of deposit, and, if applicable, the numbers of the securities, as well as the date of deposit.

Article 7: Financial instruments or third-party funds

7.1. In application of the law of 1 August 2001, as amended, concerning the circulation of securities and other fungible instruments, the Bank records securities and other fungible financial instruments received in custody or held in an account separately from its own assets and off balance sheet. The Customer has the same rights with respect to the Bank as if the securities and other financial instruments had remained in his own hands. The Customer has an intangible right *in rem*, within the limit of the number of securities and other instruments recorded in the Customer's account, over all the securities and other financial instruments of the same type received in custody or held in an account by the Bank. The Customer can exercise this right only in respect of the Bank, except in the event of failure, liquidation or any other adverse circumstances or reorganisation procedure of the Bank.

7.2. The financial instruments entrusted to the Bank are kept either as fungible deposits (in a collective "omnibus" account) or as non-fungible deposits, unless the Customer has expressed a preference in writing. The Bank may at its discretion keep the securities in its own strong room or deposit them with its domestic or foreign correspondents or with a clearing system.

The Bank is authorised to deposit the financial instruments that it holds on behalf of its Customers in one or several accounts opened with its sub-depositaries or with clearing systems. Customers' financial instruments are kept separately from the Bank's financial instruments and the financial instruments belonging to the sub-depositaries or clearing systems.

The Bank shall inform the Customer of the place at which the financial instruments are deposited.

Custody of securities in a country outside Luxembourg is subject to the laws and practices of that country but does not affect the rights of the depositing Customer conferred by Luxembourg law.

The Bank does not deposit financial instruments held on behalf of its Customers with depositaries or clearing systems in a third country in which the holding and custody on behalf of another person is not regulated, unless one of the following conditions is met:

- the nature of the financial instruments or of the investment services linked to these financial instruments requires them to be deposited with these third parties in this third country,
- the financial instruments are held on behalf of a Professional Customer having expressly asked the Bank to deposit them with these third parties in this third country.

7.3. By way of derogation from article 1932 of the Civil Code and in compliance with the legislation concerning the circulation of securities and other fungible instruments, as well as with the Luxembourg law of 3 September 1996, as amended, concerning the involuntary dispossession of bearer securities, the Customer recognises the Bank's right to return to him securities of the same type and quantity but not bearing the same numbers.

7.4. In the event that the Bank enters into securities financing transactions using the financial instruments held on behalf of a Retail Customer or should otherwise use these instruments for its own account or on the behalf of another Customer, it shall provide the Customer, prior to any such use, with clear, full and accurate information on the obligations and responsibilities incumbent upon them, including information concerning the return of the securities and the risks incurred.

7.5. The Bank shall inform the Customer of any derogation from its custody policy as described in the preceding articles and concerning the markets or all the securities and other financial instruments of the same type held by the Customer, according to the information received from the entities publishing such information, but shall have no liability in this respect.

Article 8: Management of deposits

8.1. Financial instruments may be withdrawn physically provided notice is given in compliance with the delivery deadlines and depending on the actual place of deposit.

8.2. The financial instruments shall be transported or transferred at the depositor's expense.

8.3. The financial instruments deposited may be pledged to the Bank to guarantee advances made by the Bank to the depositor or to a third party.

8.4. The Bank shall be paid a custodial fee in accordance with its current tariffs. This custodial fee is non-refundable.

Article 9: Tax and administrative requirements

9.1. Without prejudice to any other information that may have been provided by the Customer, notably with regard to any security or privileged claim held or that could be held by a third party on these financial instruments, the Customer shall warrant to the Bank that they are the owner of the financial instruments deposited and the beneficial owner (in tax terms) of the income generated by these financial instruments. In addition, the Customer shall release the Bank from any tax reporting obligation as regards third parties or authorities of any country whatsoever and shall acknowledge that the Bank is obliged to withhold tax under the laws of those countries. For this purpose, the Bank shall be entitled to ask the Customer to sign any documents required to comply with these laws.

9.2. In its capacity as a "Reporting Luxembourg Financial Institution" the Bank informs the Customer that, if, contrary to the Customer's statements at the time of entering into a relationship with the Bank, the Customer was a "US Person", or subsequently become a US Person, within the meaning of US tax regulations, the Bank shall take the measures required by its status as a "Reporting Luxembourg Financial Institution".

Article 10: Transactions related to securities placed in custody

10.1. The Customer shall give the necessary instructions as regards transactions to be carried out relating to the financial instruments deposited with the Bank. In the absence of any such instructions, the Bank shall take the usual administrative measures on behalf of the Customer in the best possible way. In this case, it shall not be held liable for any failure or delay in execution



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General Terms and Conditions concerning Financial Instruments

of these transactions, nor for the financial result thereof. On specific instructions from the Customer, the Bank shall, in its capacity as the holder of the financial instruments, exercise the voting rights attached to these financial instruments.

10.2. The Bank shall arrange to receive on behalf of its Customers any bonus instruments issued at the time of a capital increase.

10.3. The Bank shall also be in charge of the purchase and sale of allocated rights. Insofar as this is possible and in the best possible way, the Bank shall exercise any rights not exercised by the Customer. If an additional payment has to be made in relation to a subscription, the Customer's account shall be automatically debited by the Bank. Proceeds from sales shall be credited to the current account. In the absence of instructions from the Customer within the set time limit, the Bank shall arrange for the delivery on behalf of its Customer of the securities that were either allocated or obtained by means of exchange in proportion to the rights held, and shall automatically sell fractions of rights.

10.4. When the Bank has been informed in due time by the issuer of a financial instrument of an event that could relate to an instrument held on a securities deposit account, the Bank may notify the Customer in order to receive instructions from the Customer. The Bank shall be responsible for all corporate actions relating to financial instruments, both in the Grand Duchy of Luxembourg and abroad. However, the Bank only carries out supervisory duties on an ancillary basis, as this is mainly the Customer's responsibility. If, from a fiscal, legal or commercial point of view, the Bank considers it to be in the interest of the Customer, it could centralise the positions held by its Customers in several countries, in a fungible deposit with a sub-depositary in a market of its choice. It will inform the Customer of this in writing.

The Bank shall inform the Customer by sending a corporate action notification, which shall contain the date of effect, the exercise period, a description of the transaction, the number of instruments held by the Customer and the corresponding rights. The Customer shall be responsible for giving his instructions within the specified time period.

In the absence of instructions, the Bank reserves the right to execute the corporate action on behalf of the Customer. The Bank takes its decision based on objective criteria and in the interest and on behalf of the Customer. The Bank shall not be held liable for any damage suffered by the Customer when the Customer has not given any effects through written instructions to a preceding notification by the Bank.

10.5. In the absence of instructions to the contrary, the Bank shall collect at the due dates any interest and dividends generated by the deposited securities, as well as the counter value of redeemable financial instruments. All these transactions shall be "subject to collection".

Thus, the counter value of the coupons and redeemable securities that remains unpaid for any reason whatsoever, will be demanded from and reversed to the depositor, at the price on the day of return, with no time limit, as well as any late payment interest.

All transactions referred to in this article shall be recorded by the Bank in their currency of origin, unless otherwise instructed by the Customer. Changes in prices that occur after effective collection shall give rise to an adjustment, which can be automatically recorded in the account. If the Customer does not have a current account in the currency of origin of a redeemable instrument, the Bank may, with no obligation, credit the proceeds to be paid, preferably to their current account in EUR, or, if not available, to any other current account in any other currency open in his name. Currency transactions are executed by the Bank during opening hours under the best conditions and in the best time limit.

10.6. For the purpose of collection, coupons shall be detached from financial instruments deposited prior to maturity. If the financial instruments are withdrawn after the coupons have been detached and before maturity, they shall be delivered without these coupons, the proceeds from which shall be credited in due time to the Customer's account.

10.7. Where the conditions of a loan provide for a choice between several currencies for the payment of coupons or the redemption of instruments, the Customer must clearly and precisely inform the Bank of the currency they have chosen. In the absence of instructions from the Customer, or where the Customer's instructions are unclear, the Bank shall accept the choice made by the trustee, the tax agent or the body designated under the terms and conditions of the loan.

10.8. As from the date the financial instruments are deposited, the Bank shall be responsible for the detachment of coupons, the verification of drawings, the exchange of financial instruments, the reattachment of coupons and other similar operations, inasmuch as proper notice of these operations has been published.

10.9. On the basis of written instructions from the Customer, the Bank may give its financial correspondents the name and address of its depositors in the event of receipt of income for which an exemption of or a reduction in withholding tax may be obtained.

10.10. The provisions governing orders to be executed on trading venues (within the meaning of the Regulation) shall apply to the transactions referred to in this article.

Article 11: Financial instruments subject to a cease trade order and drawing lists

11.1. The Customer shall bear all the consequences arising from the deposit or trading of financial instruments subject to a cease trade order and/or that have been falsified. The Customer shall indemnify the Bank on request, for the loss sustained. The Bank reserves the full right to debit the amount of the loss from the Customer's accounts at any time.

11.2. The Bank shall not be required to check the lists of drawings and cease trade orders for any coupons or securities that are not deposited in a securities deposit account on behalf of the remitter.

Article 12: Transactions executed on trading venues and over the counter

12.1. The Bank carries out the execution of all orders on trading venues (within the meaning of the Regulation) or over-the-counter in the Grand Duchy of Luxembourg and abroad.

The Bank will take all sufficient steps to obtain the best possible result for the Customer, to the extent that it executes an order or specific aspect of the order by following the specific instructions given by the Customer concerning the order or specific aspect of the order.

The orders will be executed at the Customer's risk, according to the instructions given to the Bank, and in accordance with the practices and regulations of the market on which said orders are executed, and in compliance with the Bank's order execution policy as described in part four of these General Terms and Conditions.

12.2. The Bank reserves the right to:

- only execute orders that it is physically capable of transmitting to its correspondent in a timely manner given local practices;
- only execute a purchase order linked to a sale order after the sale order has been executed;
- buy back, at the originator's expense, the financial instruments that were subject to a sell order, if the financial instruments that were to be sold are not delivered in a timely manner or cannot be delivered;
- allocate the proceeds of the sale of financial instruments for clearing the Customer's commitments to the Bank.

12.3. Orders may be sent to the Bank by electronic banking, telephone, fax or other approved means of communication making it possible to request the execution of orders remotely, subject to the prior signature of a specific agreement between the Bank and the Customer.

12.4. Unless otherwise stipulated or contrary to practices, buy and sell orders shall expire on the last day of the month following receipt of the order.

12.5. Buy or sell limit orders on listed financial instruments may be modified in accordance with the practices of the different execution venues, by cancelling the order if, after reception of the order, a dividend or coupon detachment for a bond has been announced.

12.6. A securities sell (or buy) stop order is activated when the price of the security reaches a specified value, called the "stop price". The stop order then becomes an order "at market" and is filled at the next quoted price, which may be above or below the stop price. These orders shall only be used on very liquid markets.

There are two types of stop order:

- "sell stop order", which must always be below the current market value;
- "buy stop order", which must always be above the current market value.

12.7. Any complaint regarding the execution of an order must be sent to the Bank on the date of receipt of the statement or notice. In the event an order has not been executed, the complaint must be sent to the Bank as quickly as possible. In the absence of any complaint, the transactions carried out shall be considered approved by the Customer.

12.8. If the Customer sends the Bank a notice in writing to confirm or change an order being executed carried out, without specifying that it is a confirmation or a change, the Bank shall be entitled to consider this notice as a new order in addition to the first.

Article 13: Conditions for the execution of orders

13.1. With the exception of any specific rules laid down in separate agreements, the Bank shall be entitled to sell financial instruments or currencies that have been purchased but not paid for by the Customer in the agreed time without prior formal notice, and to claim the loss arising from this sale from the Customer.

13.2. If the seller has not delivered, in the usual time, the instruments they arranged to sell, the Bank shall be entitled to purchase similar financial instruments, at the seller's risk, without any other formal notice.

13.3. The Bank shall be entitled to demand a provision of cover before accepting an order, that will be deducted when payment is made. The Bank shall also be authorised to demand cover even after an order has been accepted and to request additional cover at any time, setting the amount at its discretion.

13.4. If this cover has not been provided within a reasonable time following a warning in this regard sent by registered letter, the Bank shall be entitled, but not obliged, to close out the positions automatically at the Customer's risk. The Customer shall hold the Bank harmless for any arising loss, consisting in the difference between the agreed price and the price of settlement.

Article 14: Coupons and redeemable financial instruments

14.1. The Bank shall be responsible for the collection of all coupons and redeemable securities. The remittance of coupons and redeemable securities for discounting shall entail the authorisation for the Bank to send them for collection with the correspondent of its choice. The Bank may not be held liable for any consequences that may arise therefrom. The Bank reserves the right to claim, at the price on the day of return, the amount of any coupons/securities that it cannot collect for any reason whatsoever.

14.2. Coupons and redeemable financial instruments shall be paid after deducting the costs and fees calculated in accordance with the Bank current tariffs as well as tax charges applicable at the time of receipt.

14.3. Coupons and redeemable securities shall be paid in accordance with the terms and conditions laid down by the issuer of the securities.

**Article 15: Bearer notes (bons de caisse)**

15.1. Bearer notes are issued by the Bank to document a debt arising from interest-bearing loans contracted by it, and that it undertakes to repay to the bearer plus interest, after deduction of tax charges that apply at the time of payment, and in accordance with the terms and conditions laid down for the note.

15.2. Bearer notes bear a fixed rate annual interest as from the date of acquisition. Rates are published periodically on the Bank's website, at www.bcee.lu. Notes shall cease to bear interest as from their expiry date or the date of early repayment. The capital invested may be invested according to two different methods:

- The first is "the distributive method", entitling the bearer to receive interest every month, every quarter, every six months or every year, with the repayment of the capital upon maturity.
- The second is "the capitalizing method", offering the bearer compound interest that remains frozen through the term of the note. When it matures, the initial deposit is repaid along with the capitalised compound interest.

If the bearer elects for interest to be paid every month, every quarter or every six months, the interest rate of the bearer note shall be equivalent to the annual rate of return.

15.3. The bearer may reserve the right to arrange for the early repayment of the bearer note at any time. If the request for repayment is submitted within the first 180 days from the date of issue, no interest shall be paid. After this time, the bearer shall receive interest for the entire period involved, calculated at the interest rate for the demand savings passbook in effect on the date of repayment. The yield thus calculated may not however exceed the rate shown on the bearer note. The difference between the accrued interest calculated at the rate shown on the bearer note and interest calculated at the base rate of the demand savings passbook may not be claimed by the bearer. Partial repayments shall not be authorised.

15.4. The Bank shall be validly released from its obligations by the payments made by it to the holder of the note. The final repayment may only be made against the return of the bearer note.

15.5. In the event of involuntary dispossession, bearer notes shall be subject to the statutory provisions set out in the law of 3 September 1996, as amended, relating to involuntary dispossession of bearer securities.

The right of objection shall be exercised in accordance with the legal procedure.

Article 16: Lombard Loan services

16.1. The Lombard Loan is a way of providing temporary liquidity.

It is intended either to finance investment in financial instruments with the Bank, or to finance other assets or activities outside the Bank.

The rights and obligations of the parties are governed by a specific Lombard Loan agreement.

16.2. The granting of a Lombard Loan depends on the assets deposited by the credittee with the Bank on the basis of a special agreement that determines the modalities and specific aspects of this activity.

16.3. The Lombard Loan may be granted as a loan or line of credit. Its amount is set according to the valuation and risk and currency factors of the assets deposited as security with the Bank and the Customer's planned investments.

16.4. The Customer pledges as security to the Bank all eligible assets that are or will be held by the Bank, in order to guarantee repayment of the principal, interest, fees and ancillary expenses of all existing or future claims that the Bank holds or may hold on the credittee. This pledge notably includes financial instruments, property titles, debt securities, transferable securities and cash receivables belonging to or that will belong to the Customer and for which the Bank is or will be the holder or debtor towards the Customer.

16.5. Any repayments shall be made in the currency in which the Lombard Loan was granted.

Article 17: Subscription of UCITS units / PRIIPs transactions

17.1. Before subscribing to units of an undertaking for collective investment in transferable securities ("UCITS"), the Customer agrees to consult the Key Investor Information Document ("KIID"). The KIID is a standardised document designed to provide clear and concise information on the characteristics and the risks of a UCITS.

17.2. Before entering into any transaction involving a packaged retail investment product ("PRIIPs"), the Customer agrees to read the "Key Information Document" ("KID"). The KID is a standardised document designed to provide clear and concise information on the characteristics and the risks of a packaged retail investment product.

The Bank shall make the KIID/KID available via its website www.bcee.lu, on its "S-net" Internet banking platform or through its advisers at the branch offices.

Article 18: Liability

18.1. In the context of transactions in financial instruments, the Customer shall in all cases be solely liable for any losses. For the requirements of the Customer's investments via instruments in financial markets, the Bank duly notes the Customer's representation by which the Customer declares having understood the risks attached to such investments, notably the types of transactions, financial instruments and investment services to be provided by the Bank.

Article 19: Reporting obligations

19.1. The Bank shall provide the Customer with periodic reports:

- a report, at least once every quarter, on the Customer's financial instruments held by the Bank, unless the information has already been provided in another periodic report;
- a report, at least once a year, on all the costs and associated charges with the manufacturing and managing of the financial instruments, as well as those associated to any investment services provided. Where relevant, the information relating to payments made by third parties received by the Bank in relation with the service will also be transmitted;

- a report when the value of each transaction involving positions on financial instruments using leverage or transactions involving contingent liabilities has dropped by 10% compared to the initial value, and for each following 10% multiple. Information is provided on an instrument by instrument basis, and at the latest at the end of the business day on which the threshold was exceeded or, in the event that the threshold was exceeded on a non-business day, the end of the first following business day.

19.2. With the exception of all discretionary portfolio management services provided, the Bank shall also send the Customer:

- a detailed report of the execution of the Customer's order concerning a financial instrument, at the latest on the first business day following the execution of the order or receipt by the Bank of the order execution notice from a third party. On the Customer's request, the Customer may be informed of the progress of the execution of their order.

19.3. In addition, and with regard to investment advice only, the Bank also provides:

- a report, to Retail Customers, containing a summary of the advice given and explaining why the recommendation given is suitable to the Customer, including how it complies with their objectives and specific situation;
- a report, at least once a year, assessing the suitability of the recommendations given to the Customer.

19.4. In the case of discretionary portfolio management only, the Bank shall also provide the Customer with:

- a report of executed transactions, on a transaction-by-transaction basis, unless stipulated otherwise in an agreement,
- a report, at least on a quarterly basis, of management activities and the portfolio performance achieved on behalf of the Customer,
- a report, at least once a year, assessing the suitability of the investments made in the name of and on behalf of the Customer,
- a report on the loss of value of the portfolio when the total value of the Portfolio, as valued at the start of each quarterly reporting period, has fallen 10%, and for each following 10% multiple, at the latest on the business day on which the threshold was exceeded or, in the event that the threshold was exceeded on a non-business day, the end of the first following business day.

19.5. Any claims the Customer may have as to the accuracy of one of the statements must be presented to the Bank at the latest 30 days following dispatch. The information shall be transmitted on a permanent medium defined by the relationship between the Customer and the Bank.

Article 20: Costs and associated charges

20.1. The Bank shall provide the Customer with information on all the costs and associated charges relating to the financial instruments and investment services.

20.2. The costs and associated charges with financial instruments provided to Customers are set out in a document entitled "Main banking fees" that may be viewed on the Bank's website www.bcee.lu or be supplied on request from a branch of the Bank. Changes to these costs and fees are subject to the provisions of the General Terms and Conditions.

20.3. An illustration of the costs and associated charges relating to the financial instruments and investment services is presented in the document "Illustration on costs and associated charges *ex-ante*" available on BCEE website www.bcee.lu or on request from the branch offices.

B. CONFLICTS OF INTEREST POLICY**Article 21: Conflicts of interest policy**

21.1. The Bank undertakes to apply the organisational provisions intended to detect and prevent or manage potential conflicts of interest between the Bank and the Customer, on the one hand, and the Customer's interests on the other. These organisational provisions concern conflicts of interest that may arise between Customers.

These essentially comprise conflicts of interest in which:

- the Bank could realise a financial gain or avoid a financial loss at the expense of the Customer;
- the Bank has an interest in the outcome of a service provided to the Customer or of a transaction carried out on behalf of the Customer that diverges from the Customer's interest;
- the Bank, for financial or other reasons, is prompted to favour the interests of one customer or group of customers over those of the Customer concerned;
- the Bank has the same business activity as the Customer;
- the Bank receives a benefit connected with the service provided to the Customer, from a person other than the Customer, other than the commission or fees normally invoiced for this service.

21.2. The Bank therefore has set up internal entities responsible for identifying and managing potential conflicts of interest, regularly updating the relevant internal procedures, and ensuring compliance with said procedures.

With respect to the management of conflicts of interest, the Bank's internal organisation has been structured to ensure the strict separation of the Bank's operational entities, particularly those relating to management and financial intermediation ("Chinese Walls"). This system is organised in a way that no confidential information likely to prejudice the interests of one or more Customers or the diverging interests of some of these Customers shall filter in between these operational entities, which must act independently from one another. These measures include physical measures (systems to control employee access and limit access for visitors, storage of the documents in secured locations, or the "clean desk" policy), electronic barriers (compulsory passwords) or operational measures (the concerned entities are led by different people, respect of the double signature rule).

The Bank uses an open architecture, leaving the choice between in-house and external products to the Customer. The Bank has also established a code of business conduct and a very strict framework governing the division of duties.

In the event that the provisions set out by the Bank are insufficient to ensure, with reasonable certainty, that the risk of damaging the Customer's interest cannot be avoided, the Bank shall



inform the Customer concerned of the general nature and/or the source of such conflicts of interest and the measures taken to reduce this risk prior to acting on his behalf.

21.3. The Bank shall make available to the Customer on simple request a document entitled "Conflicts of Interest Policy", which sets out the organisational and administrative provisions referred to in the above paragraphs.

C. MANAGEMENT OF INDUCEMENTS

Article 22: Inducements received and paid

22.1. The provisions relative to inducements paid or received by the Bank are closely linked to the conflicts of interest described in the previous article. The structural organisation of the Bank, its systems, the division of duties and activities ("Chinese Walls") and, more generally, its policy for managing conflicts of interest, are intended to avoid any bias in investment decisions. The negotiation of inducements is carried out independently from the commercial activity and the account managers are not involved in this process. As the investment advice and recommendations are not being influenced by the inducements paid or received, the Bank always acts to the best of the interest of its Customers.

22.2. Further details on the nature and amount of the inducements or, when this amount cannot be established, its calculation method, may be obtained from the account manager or a Bank branch at the Customer's request.

22.3. If inducements are received in relation to investment services provided to the Customer, the Bank informs the Customer, at least once a year, of the amount of benefits received or paid by third parties and the amount of benefits transferred to the Customer where relevant.

Article 23: Monetary benefits received on part of the management fees of UCIs

23.1. Execution only

To enable Customers to take advantage of diversified investment opportunities, the Bank offers them a wide range of financial instruments that are likely to meet their needs, including units in Undertakings for Collective Investment (hereinafter UCIs) directly marketed by the Bank, as well as third-party UCIs, for which it acts as distributor and to which the Customer may subscribe on their own initiative, with the Bank giving neither advice nor recommendations.

In exchange for providing access to these products and the related information, which is continually updated (prospectus, past performance, returns, etc.), the promoter of the UCI may remunerate the Bank via a commission that is generally calculated on the basis of the management fee, which varies depending on asset class, the investments made/level of outstandings, the net asset value (NAV)¹, its frequency, the rates negotiated under the terms of the distribution contracts, the number of units in circulation, etc.

23.2. Investment advice and portfolio management

The Bank may also receive this commission when it provides remunerated investment advice or issues a general recommendation under the same conditions. Likewise, the Bank managing the Customer's portfolio may receive a management fee from the UCIs management company when the UCIs units are placed in the Customers' portfolio, based on the criteria set out below.

This fee is designed to maintain a third-party fund selection policy responding best to the needs of the Customer. This management tool aims to optimise the Customer's satisfaction and contributes to maximising the return/risk ratio of their investments through diversification in different asset classes, geographical regions, wider or more specific market segments and defined management styles.

The expertise and the know-how of the external managers the Customer benefits from are strengthened, and thus the quality of the service rendered is increased. This implies within the Bank the pursuit of management experience, analysis of the fund industry and analysis of the process.

This policy is based on objective criteria, both quantitative and qualitative, such as:

- performance, sustainability of performance, management style,
- the ability to manage risk,
- the ability to outperform the market,
- rigour in adhering to the management style,

necessitating a dedicated infrastructure (analysis of the investment strategy, due diligence, meetings and contacts with the UCIs managers, presentation to the investment committee, on-site visits and performance monitoring, etc.), investment strategy, portfolios that are in line with the management style. This permanent control justifies the recurrence of the benefits.

In the case of independent investment advice or portfolio management services, the benefits received by the Bank in relation to the provision of these services are fully transferred to the Customer. The Bank transfers these benefits to the Customer after receipt at least once each quarter. The Bank does not accept non-monetary benefits other than those that are considered minor.

Article 24: Non-monetary benefits received in relation to research

24.1 The Bank may receive from its counterparties certain non-monetary benefits.

24.2. The Bank does not accept non-monetary benefits other than those that are considered minor.

The following benefits qualify as acceptable minor non-monetary benefits:

- information or documentation relating to a financial instrument or an investment service which is either generic in nature or personalised to reflect the circumstances of an individual Customer;

- written material from a third party that is commissioned or paid for by a corporate issuer (or potential issuer) to promote a new issuance by the company, or contractually engaged and paid by the issuer to produce such material on an on-going basis, provided the material is simultaneously made available to any investment firm wishing to receive it or to the general public;
- participation in conferences, seminars and other training events on the benefits and features of a specific financial instrument or an investment service;
- hospitality of a reasonable de minimis value, such as food and drink during a business meeting or a conference, seminar or the training events mentioned above;
- certain other non-monetary benefits which a Member State deems capable of enhancing the quality of service provided to a Customer and, given the global nature of the advantages provided by an entity or group of entities, are of a scale and nature that is unlikely to impair compliance with the Bank's duty to act in the Customer's best interests.

24.3. The research provided by third parties to the Bank is received in exchange for direct payment out of the Bank's own resources and are not considered to be a benefit.

Article 25: Benefits paid

25.1 The Bank may remunerate specific third parties, for example in order to extend its potential customer base, or within a service provider relationship. These third parties do not generally offer custodian or investment services, which only credit institutions are authorised to provide.

These third parties fulfil a role of selection: for the Customer, for whom they find the financial institution that can offer the service that best meets their expectations, and for the Bank, to which they propose Customers that fit with their target public. The Bank has for its part set up internal procedures for the selection of third parties as well as an organisation enabling it to develop and sustain these relationships over the long term.

The remuneration of these intermediaries is based on a single fee. The amount of the single fee may be spread over time in order to maintain the stability of the relationship over the long term.

PART TWO: CATEGORISATION OF CUSTOMERS

Article 26: Information concerning the classification of Customers

26.1. In application of the Regulation, the Bank shall inform Customers using investment services or carrying out investment activities or benefiting from ancillary services on markets in financial instruments of their categorisation as a "Retail Customer", "Professional Customer" or "Eligible Counterparty" on the basis of the criteria set out by said Regulation.

Article 27: Possibility of requesting enhanced protection ("opt-in")

27.1. The Bank may, on its own initiative or at the Customer's request:

- treat as a Professional Customer or a Retail Customer any Customer who has been classified by default as an Eligible Counterparty by virtue of and in application of the Regulation,
- treat as a Retail Customer any Customer considered to be a Professional Customer by virtue of and in application of the Regulation.

Article 28: Possibility of renouncing certain types of protection ("opt-out")

28.1. The Bank shall inform Retail Customers that, within the limits provided for by law, they may be entitled to be treated as a Professional Customer. Equally, a Retail Customer and a Professional Customer may be considered as an Eligible Counterparty if they meet the criteria and fulfil the basic criteria of a company that belongs to a category of customers that may be considered Professional Customers in application of the Regulation. Any such request must be made in writing, in compliance with the conditions set by law. The Customer shall declare that they are aware of the consequences of renouncing the protection provided for.

28.2. Before deciding to accept a request for a change of category, the Bank shall take all reasonable measures to ensure that the Customer meets the criteria established by the Regulation.

28.3. It is the Customer's responsibility to inform the Bank of any change that could alter their categorisation. The Bank is authorised to take appropriate measures if it notes that the Customer no longer meets the conditions justifying their classification as a Professional Customer.

Article 29: Scope of categorisation

29.1. It is expressly agreed between the parties that the Customer's categorisation shall apply to the entire relationship between the Customer and the Bank; that is to say, to all the transactions, services, activities, ancillary services and products provided by the Bank and with effect from the written acceptance of this change of classification by the Bank.

Article 30: Retail Customer

30.1. Retail Customer benefits from the widest scope of legal protection for all the services, products and transactions provided by the Bank in relation with markets in financial instruments.

30.2. This protection, conferred by the Regulation, includes a number of rules of conduct for the provision of investment services (in particular the obligation to verify the suitability of the investment advice or portfolio management, the obligation to verify the appropriateness of the product or the provided service), the obligation for the Bank to execute orders on terms most favourable to the Customer, and the application of order handling rules (in particular the fair and expeditious handling of orders) as defined by said Regulation.

Article 31: Professional Customer

31.1. Professional Customer benefits from a narrower scope of legal protection than Retail Customers defined by the Regulation.

¹ The average usual rate of the benefit received on the management fee, for all tranches and all financial instruments, is generally around 30% to 60%.



31.2. For per se Professional Customer, who meets the criteria defined by the Regulation, the Bank that provides an investment service is entitled to assume that, as regards the products, transactions and services for which the Customer is classified as a Professional Customer, the Customer has the required level of experience and knowledge necessary to make investment decisions and assess the risks related to these services, and notably understands the risks related to all transactions and the management of their portfolio. The assessment of appropriateness thus does not have to be carried out.

31.3. For a Customer who wishes to be treated as Professional at their own request, the Bank will assess the Customer before changing their category. The objective of the assessment of the competency, experience and knowledge of the Customer with respect to the nature of the intended transactions or services is to determine whether the Customer is able to make investment decisions and understand the risks taken.

31.4. For all Professional Customers the Bank is authorised to presume that, as regards the products, transactions and services for which the Customer is classified as a Professional Customer, the Customer has the required level of experience and knowledge to understand the risks inherent in any transaction and in the management of their portfolio. An assessment of the appropriateness of the product, service or transaction shall not therefore be carried out.

31.5. The Bank will classify a Customer as a Professional Customer only if they meet at least two of the following objectives:

- the Customer has carried out an average of ten transactions of significant size each quarter over the past four quarters on the relevant market,
- the Customer has a portfolio of financial instruments (including cash deposits and financial instruments) that exceeds EUR 500,000,
- the Customer works for at least one year, or has worked for at least one year, in the financial sector, a professional position requiring knowledge of the intended transactions or services.

31.6. Professional Customer benefits from lower protection than that of Retail Customer, notably:

- in terms of the information provided (the degree of detail of information on the nature of the financial instruments and risks associated with investing in these instruments, of certain reports, on the safeguarding of financial instruments, can vary according to the category to which the Customer belongs, etc.),
- in terms of the execution of orders under the most favourable conditions where the criteria determining the importance of factors taken into account may vary according to the category to which the Customer belongs.

Article 32: Eligible Counterparty

32.1. The Bank, in accordance with the Regulation, is not required in its transactions with Eligible Counterparty to comply with the obligations relating to the information provided to Retail and Professional Customers, the obligations relating to the assessment of suitability and appropriateness except, where relevant, the provision of adequate reports on the service provided, the obligations relating to rules of conduct for the provision of investment services, the best execution requirement, or to order handling rules.

32.2. The Bank shall comply with the organisational obligations towards the Eligible Counterparty, in particular those meant to prevent the existence of conflict of interests, those guaranteeing the continuity and consistency of the provision of investment services, or those intended to preserve the Customer's rights on the entrusted assets.

PART THREE: THE TYPES OF INVESTMENT SERVICES

Article 33: Obligations related to the provision of investment advice, advisory and discretionary portfolio management services

33.1. In application of the Regulation, the Bank is required to obtain from its Customers to whom it provides investment advice, advisory or discretionary portfolio management services, the necessary information concerning the Customer's knowledge and experience in the investment field relevant to the specific type of product or service, the Customer's financial situation, including his ability to bear losses, and his investment objectives, including his risk tolerance, in order to be able to recommend to the Customer the investment services and financial instruments that are suitable for him and, in particular, are in accordance with his risk tolerance and ability to bear losses.

33.2. The Bank informs the Customer that the Regulation does not allow it to provide investment services or to recommend financial instruments as part of investment advice or discretionary portfolio management if it has not obtained the required information described above.

33.3. The Bank is entitled to rely on the information provided by the Customer.

Article 34: Determining the Customer's investor profile

34.1. A Customer's investor profile is determined and set by common accord with the Customer on the basis of an "Investor Profile" form or by any other means defined by the Bank. The investor profile will depend on the Customer's investment knowledge and experience in relation to the specific type of product or service, the Customer's financial situation and investment objectives. The profile thus determined will be labelled one of the five following categories:

- defensive
- conservative
- balanced
- growth
- dynamic.

34.2. The Customer's investor profile may be updated at any time, either at the Customer's express request or on suggestion by the Bank. The Customer undertakes to immediately inform the Bank of any change affecting their investor profile.

34.3. Any change in the Customer's investor profile shall not call into question any investment advice previously provided by the Bank and shall not affect the validity of any transactions already entered into at the time of the change in profile.

34.4. Joint or collective accounts shall be governed by the General Terms and Conditions, as well as by any specific agreements established at the time of their opening and shall operate under a single investor profile that is separate from the investor profiles of the respective joint account holders.

34.5. The Customer's investor profile determines, in accordance with the Bank's investment policy, the sphere of services, products and transactions in financial instruments the Bank will provide to the Customer in the context of investment advice, advisory or discretionary portfolio management services.

A. INVESTMENT ADVICE

Article 35: Investment advice services

35.1. In the context of these General Terms and Conditions, "investment advice" refers to the provision of personalised recommendations to the Customer, whether at the Customer's request or at the Bank's initiative, concerning one or more transactions in financial instruments as listed by the Regulation.

35.2. For any transaction in financial instruments executed without the provision of investment advice as defined above, and thus at the Customer's sole initiative, the Bank shall not be required to verify that the instrument or service provided is suitable for the Customer's investor profile.

35.3. For all subscriptions to investment advice services, the Bank shall perform automatic controls on the composition of the Customer's portfolio and the compliance with the Customer's investment policy defined with the Bank. The Bank expressly agrees with the Customer that the Bank shall analyse the suitability of the Customer's portfolio in relation to his investor profile when the Customer benefits from investment advices services provided by the Bank.

Article 36: Investment policy

36.1. The Bank has classified the financial instruments offered to its Customers into four product types: money-market instruments, equities, bonds and other financial instruments.

36.2. For each of the five investor profiles, the Bank indicates the maximum potential loss that a portfolio of financial instruments composed of the products referred to above could undergo for a given time period, with a given probability (notion of Value at Risk). Based on these elements, the Bank recommends transactions in financial instruments that are suited to the Customer's investor profile.

The more the investor profile is reward-based, the higher the risk of maximum potential loss for a given time period and probability, the percentage of financial products presenting an exposure to high risks will be overweighted, and vice-versa.

36.3. The Bank reserves the right to modify the maximum and minimum thresholds of potential losses that a portfolio of financial instruments may undergo, taking into account the Bank's analysts' forecasts or general trends in the financial markets. In the event of a change in these limits, the Customer will be duly informed in a periodic suitability report or the next time they receive investment advice depending on the change in limits.

B. ADVISORY AND DISCRETIONARY PORTFOLIO MANAGEMENT

Article 37: Scope of the advisory management agreement

37.1. Advisory management is a management mandate and is subject to a specific agreement between the Bank and the Customer. Under this "Management - Advisory Services Contract", the Bank issues recommendations to the Customer. The Bank shall have the task of managing the Customer's assets jointly with the Customer, i.e. all management decisions are to be taken jointly by the Bank and by the Customer in accordance with the investment policy described above.

37.2. The Bank shall subject the portfolio to a permanent review, taking into account the Customer's investor profile, the current political, social, financial and economic situation and the Customer's guidelines as regards the management of his portfolio.

Article 38: Discretionary portfolio management services

38.1. In the framework of a specific agreement, the Bank is responsible for managing the Customer's portfolio. This specific agreement sets out the terms and conditions of the modalities and fees of the portfolio management mandate.

Article 39: Scope of discretionary portfolio management mandate

39.1. In the framework of a discretionary portfolio management agreement, the Bank shall be entrusted with the Customer's assets and shall have the task of managing them at its discretion.

39.2. Thus, it shall be authorised to carry out on the Customer's behalf and in accordance with the Customer's investor profile, all the transactions that it considers to be in the Customer's interest, notably the purchase and sale of securities, making and closing out cash deposits, and generally all transactions that it shall deem appropriate in the context of the management mandate.

39.3. Throughout the term of the agreement, the Customer may not interfere in the discretionary portfolio management. The Customer may have partial access to the portfolio if it obtains the Bank's express agreement.

Thus, the Customer notably waives any right to access the assets under management by means of electronic or remote banking systems.

Article 40: Investment policy

40.1. The discretionary portfolio management agreement specifies the eligible financial instruments that can be used in the framework of discretionary management.

40.2. Depending on the investor profile, determined jointly with the Customer, an investment strategy is defined for the discretionary management of the Customer's portfolio. The investor profile determined and the chosen investment strategy form an integral part of the discretionary portfolio management agreement.

**Article 41: Responsibility and obligations**

- 41.1. The Customer shall be fully and completely responsible for the transactions that the Bank carries out in the framework of a management mandate.
- 41.2. The Bank undertakes to carry out its mandate with care and diligence.
- 41.3. The applicable reporting terms are described in article 19 above.
- 41.4. The Bank is mandated to represent the Customer in relations with third parties. In the event a special power of attorney is required, the Customer undertakes to give it to the Bank.
- 41.5. Concerning the discretionary management of the portfolio, the Customer shall be informed of any loss in value of the portfolio when the total value of the portfolio, as valued at the start of each quarterly reporting period, has dropped by 10%, and for each multiple of 10% thereafter, at the latest on the business day on which the threshold was exceeded, or, in the event that the threshold was exceeded on a non-business day, the end of the first following business day.
- 41.6. Regarding the discretionary management of the portfolio, the Customer shall be provided with a benchmark to inform the Customer of the performance of the Bank's management compared to the trend in financial markets. The Customer may obtain further information on the benchmark from their Bank branch.

Article 42: Term of mandate

- 42.1. The Customer is entitled to terminate the mandate, without cause and at any time, by registered letter. Termination shall take effect as from receipt of said registered letter by the Bank. However, any transactions undergoing execution at the time of termination shall not be cancelled.
- 42.2. The Bank may terminate the agreement by registered letter with 30 days' notice.
- 42.3. The agreement shall remain in effect in the event of the death or legal incapacity of the Customer and until it has been terminated in writing by the Customer's beneficiaries or legal representatives.

C. PROVISION OF OTHER SERVICES IN RELATION TO FINANCIAL INSTRUMENTS**Article 43: Provision of services other than investment advice, advisory or discretionary portfolio management**

- 43.1. When the Bank provides investment services other than investment advice, advisory or discretionary portfolio management, it is legally obliged, except in the case of the simple execution of an order involving a non-complex instrument, as defined by the Regulation, to ask the Customer to provide it with information relating to their investment knowledge and experience with respect to the specific type of product or service requested to enable it to assess whether the investment service or product is appropriate for the Customer. To this end, the Bank provides the Customer with a form to fill out.
- 43.2. If the Customer chooses not to provide the information on its investment knowledge and experience, or if the information provided is inadequate and the Customer still wants to carry out the transactions, the Bank shall execute the orders with a warning to the Customer that it was not able to determine if the service or product is appropriate for the Customer.
- 43.3. If the Bank considers, on the basis of the information received from the Customer regarding his investment knowledge and experience, that the product or service is not appropriate for the Customer, the Bank shall notify the Customer prior to execution of any transaction involving such a product.

Article 44: Provision of investment services comprising solely the execution and/or reception and transmission of Customers' orders involving non-complex products

- 44.1. When the Bank provides the Customer with services comprising solely the execution and/or reception and transmission of orders, with or without ancillary services, the Bank is not required to obtain the information or carry out the assessment provided for in the article above, if:
- the services relate to one of the following financial instruments:
 - shares admitted to trading on a regulated market or an equivalent market in a third country or an MTF, where those are shares in companies, and excluding shares in non-UCITS collective investment undertakings and shares that embed a derivative,
 - bonds or other forms of securitised debt admitted to trading on a regulated market or on an equivalent third country market or an MTF, excluding those that embed a derivative or incorporate a structure which makes it difficult for the Customer to understand the risk involved,
 - money-market instruments, excluding those that embed a derivative or incorporate a structure which makes it difficult for the Customer to understand the risk involved,
 - shares or units in UCITS, excluding structured UCITS within the meaning of the Regulation,
 - structured deposits, excluding those that incorporate a structure which makes it difficult for the Customer to understand the risk of return or the cost of exiting the product before term,
 - other non-complex financial instruments as defined by the Regulation,
 - and that the service is provided at the Customer's request.
- 44.2. The Customer shall be informed at the time of provision of these services that the Bank is not obliged to assess the appropriateness for the Customer of the financial instrument or service provided, and that the Customer will not benefit from the protection corresponding to the relevant rules of conduct.

PART FOUR: ORDER EXECUTION POLICY FOR FINANCIAL INSTRUMENTS**Article 45: Order execution policy**

- 45.1. In application of the Regulation, the Bank shall inform the Customer of its order execution policy for each category of financial instrument.
- 45.2. The Bank undertakes to execute the Customer's orders in accordance with the execution policy as described in the following articles.
- 45.3. Acceptance of these GTCFI shall indicate express acceptance of the order execution policy for the various categories of financial instruments. It is expressly agreed between the parties that, to enable the Bank to ensure best execution within the meaning of the Regulation, the Customer authorises the Bank to execute certain individual orders, or orders in certain financial instruments, outside the regulated markets or outside an MTF (Multilateral Trading Facility) or OTF (Organised Trading Facility), i.e. over-the-counter. Any order given by the Customer following receipt of the appropriate information concerning the Bank's order execution policy shall signify express consent of such policy.
- 45.4. The present policy describes the execution systems that enable the Bank to obtain the best execution result for the Retail Customer within the meaning of the Regulation.

The order execution policy applicable to Retail Customers shall equally apply to Professional Customers unless a different order execution policy has been expressly agreed between the parties. Professional Customers shall themselves assess their information requirements with regard to the Bank's order execution policy.

- 45.5. When the Bank executes an order on behalf of a Retail Customer, the best possible result shall be determined on the basis of the total price, i.e. the price of the financial instrument and the costs related to the execution of the order.

The selection of the execution venue for Retail Customers' orders incorporates criteria such as liquidity, rapidity, probability of execution and the size and nature of orders, in order to ensure efficient execution in terms of price.

- 45.6. To this end, the Bank follows a qualitative approach based on the systematic and continuous analysis of the financial markets. The Bank regularly monitors the effectiveness of its execution systems and its best-execution policy. The Bank reserves the right to update these articles in accordance with the provisions set out to this end.

- 45.7. The Bank has established procedures and provisions to ensure the prompt, fair and expeditious execution of Customers' orders.

In the context of transactions in financial instruments governed by the Regulation, the Bank does not aggregate orders from different Customers, or Customer orders with orders carried out for its own account, unless the aggregation is not disadvantageous in any way to any of its Customers. If the Bank aggregates a Customer order with an order carried out for its own account, and if the aggregated order is partially executed, the Bank allocates the corresponding transactions firstly to the Customer. However, if the Bank would not have been able to execute the order under such favourable conditions, or execute it at all, the Bank is entitled to proportionally allocate the transaction made for its own account. A Customer for whom an order may be aggregated should be made aware of the fact that the aggregation could have an adverse effect on a particular order.

- 45.8. Considering the constant fluctuations of financial markets, the Bank reserves the right to modify the execution venue at any time in order to ensure the best possible execution for the customer. This provision applies to the entire order, including specific instructions.

- 45.9. If the Customer has given specific instructions, the Bank will execute the order according to these instructions. In this case, the Bank is released from its best execution obligation to the extent that the order or a precise aspect of the order is executed in accordance with the specific instructions given by the Customer. The portion of the order not covered by specific instructions from the Customer shall be processed in accordance with the present best execution policy. The Customer is informed that the specific instructions may prevent the Bank from taking the necessary measures provided for in its best execution policy to obtain the best possible result when executing the order.

- 45.10. If the Bank is not a participating member of a trading venue or another execution venue or does not have a direct membership link to such an execution venue, the Bank shall pass orders via counterparties with which it has a contractual relationship. Such counterparties are selected on the basis of criteria of quality, rapidity and efficiency of execution in order to ensure strict compliance with the Bank's order execution policy.

- 45.11. The Bank is expressly authorised, in compliance with the principle of best execution and in order to satisfy requests made by a Customer relating to an order involving a non-standardised financial instrument, to execute the order on an execution venue not provided for by the present order execution policy.

Article 46: Order execution policy for listed equities and similar instruments

- 46.1. The Bank considers that the preferred execution venues for orders involving listed equities and similar instruments are regulated markets or MTFs (Multilateral Trading Facilities).
- 46.2. Customer orders involving listed equities and similar instruments shall be executed taking into account the following criteria:
- In the absence of specific instructions from the Customer, an order involving listed equity instruments will be directed to the execution venue that in most cases guarantees the best result in terms of the total price of the transaction, in the following decreasing order of priority:
 - The order will be directed to the most liquid execution venue to which the Bank has access for electronic execution. The Bank has electronic execution access to most of the main regulated markets and a large selection of MTFs (Multilateral Trading Facilities) in Europe and the United States of America.



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General Terms and Conditions concerning Financial Instruments

- If the most liquid regulated market or MTF (Multilateral Trading Facility) is not one of the Bank's execution venues², the order is directed to the execution venue to which the Bank has access for electronic execution that presents the highest degree of liquidity. If access to electronic execution is not available, the order will be directed to the most liquid execution venue to which the Bank has access;

- In the specific case of orders to sell shares, it is agreed, for reasons linked to the cost of execution, that the execution venue will be determined depending on the place the securities are deposited.

46.3. When a limit order given by the Customer involving equities admitted for trading on a regulated market cannot be executed immediately in the prevailing market conditions, the Bank shall, unless the Customer gives express instructions to the contrary, take measures intended to facilitate the fastest possible execution of the order by immediately making it public in a form that is readily accessible to other market participants.

Article 47: Order execution policy for bonds and similar instruments

47.1 The Bank considers that the preferred execution venues for orders involving bonds and similar instruments are trading venues (within the meaning of the Regulation).

47.2. Customer orders involving bonds and similar instruments shall be executed taking into account the following criteria:

- in the absence of specific instructions from the Customer, an order involving bonds and similar instruments will be directed to the execution venue that in most cases guarantees the best result in terms of the total price of the transaction, in the following decreasing order of priority:

- The order will be directed to the most liquid execution venue to which the Bank has access for electronic execution. The final choice of execution venue is taken in the Bank's trading room.
- If the most liquid trading venue is not one of the Bank's execution venues³, the order is directed to the execution venue to which the Bank has access for electronic execution that presents the highest degree of liquidity.
- If access to electronic execution is not available, the order will be directed to the most liquid execution venue to which the Bank has access.

- in the specific case of orders to sell bonds, it is agreed, for reasons linked to the cost of execution, that the execution venue will be determined depending on the place the securities are deposited.

47.3. The Bank reserves the right to execute orders involving bonds outside trading venues (within the meaning of the Regulation), i.e. over the counter, as long as this does not disadvantage the Customer.

47.4. When a limit order given by the Customer involving bonds admitted for trading on a regulated market cannot be executed immediately in the prevailing market conditions, the Bank shall, unless the Customer gives express instructions to the contrary, take measures intended to facilitate the fastest possible execution of the order by immediately making it public in a form that is readily accessible to other market participants.

47.5. Buy orders from Customers for bonds that are included in the BCEE selection will be executed based on the price as set and shown at the time the order is validated.

This BCEE price is calculated on the basis of a reference price, reflecting the best prices available on the markets at the time of the transaction. For buy orders for bonds that are included in the BCEE selection, the Bank guarantees instant execution of the order⁴.

In no case does the BCEE selection constitute investment advice as defined by the Regulation. This selection is a sample of the most traded bonds at the time.

47.6. Sell orders for bonds that are included in the BCEE selection and buy or sell orders for bonds are executed over the counter on the basis of a price reflecting the average of the best prices available on the markets at the time of the transaction time.

This reference price is purely indicative. The final price is not determined until the order itself is executed. The Bank will ensure that the execution price is at least equivalent to the reference price indicated to the Customer at the time the order was validated. In this respect the Bank is subject solely to an obligation of means.

47.7. With the exception of orders to buy bonds included in the BCEE selection, the rapidity and probability of the full execution of orders is dependent on the liquidity of the markets.

Article 48: Order execution policy for UCI units

48.1. The Bank considers that the preferred execution venues for orders concerning UCI shares or units are the issuers of such instruments or their respective distribution channels (notably distributors, fund promoters, depositary banks, transfer agents or registrars).

Accordingly, the Customer expressly authorises the Bank to execute buy and sell transactions involving UCI units outside the regulated markets or MTFs (Multilateral Trading Facilities). The Bank executes Customers' orders involving UCI units according to the nature and origin of the instruments.

48.2. The Bank is authorised to consider that the subscription, redemption or conversion of UCI units carried out directly or indirectly with a central administration at the net asset value (NAV) can be considered as fulfilling best execution criteria.

48.3. For "in house" UCIs, domiciled with or administered by the Bank, and for which the Bank acts in its capacity as promoter/transfer agent, the Bank guarantees full execution of the order unless otherwise stipulated in the sales documents.

48.4. For external UCIs, the Bank selects the distributor, promoter, depositary bank or transfer agent or registrar. The rapidity of execution of such orders is notably dependent on the calculation of the NAV as provided for in the prospectus. In order to guarantee the subscription/redemption at the next NAV, all orders involving external UCIs must be received by the Bank at the latest two hours before the official cut-off time.

48.5. For limit orders on UCIs, the Bank reserves the right to go through regulated markets or MTFs. The execution venue will thus differ from the best-execution venue selected by the Bank.

48.6. For investment vehicles such as ETFs (Exchange Traded Funds) or similar instruments, the Bank shall execute Customers' orders on the regulated markets or an MTF, applying the order execution policy for equity orders as described above.

Article 49: Order execution policy for money-market instruments

49.1. Regarding money-market instruments, the Bank distinguishes between:

- term deposits, deposits and similar,
- treasury bills, Commercial Papers and similar,
- Forward Rate Agreements, Swaps and similar.

49.2. Money-market orders mostly involve over-the-counter instruments and are exclusively executed at the initiative of the Customer. With the exception of deposit instruments (term deposits, deposits and similar), transactions involving money-market instruments are essentially addressed to investment professionals.

49.3. All orders involving money-market instruments are subject to sending an express request to the Bank that the Bank will analyse and based on which it will propose a price and special conditions to the Customer. The transaction will only be executed after express acceptance by the Customer of the terms and conditions of the transaction.

Article 50: Order execution policy for other financial instruments

50.1. Best-execution obligations are applicable to all eligible financial instruments in accordance with the Regulation. Nevertheless, as financial instruments entering into the present category vary substantially in terms of standardisation, liquidity and/or the number of execution venues, the application of the best-execution principle has to be adapted to the characteristics of each financial instrument in question.

50.2. As in the case of money-market instruments, it is the Customer that initiates any orders. The Bank will then propose a price and any special conditions to the Customer. The transaction will only be executed after express acceptance by the Customer of the terms and conditions of the transaction.

50.3. The Bank ensures that the trading of other financial instruments is done, as far as possible, on organised and regulated venues.

² An exhaustive list of the Bank's execution venues is listed on its website www.bcee.lu or can be provided on the Customer's request.

³ An exhaustive list of the Bank's execution venues is listed on its website www.bcee.lu or can be provided on the Customer's request.

⁴ for orders of a countervalue of < EUR100,000.