

Information Document for the use of the financial collateral related to the Title Transfer Financial Collateral Arrangements

This Information Document is issued by BRD – Groupe Societe Generale SA (hereinafter referred to as the “**Bank**”) and is intended for its Customers that have entered into or may enter into one or several Financial Collateral Arrangements, as these are defined herein below, with the Bank.

Pursuant to Art. 19 of Regulation no. 10/4/2018 of the Financial Supervisory Authority on the protection of financial instruments and customer-owned funds, the product governance obligations and the rules applicable when granting or receiving fees, commissions or other kinds of pecuniary or non-pecuniary benefits (the “**Regulation**”), the Bank has to inform its customers about the risks and consequences of the Title Transfer Financial Collateral Arrangements.

Thus, this Information Document is issued by the Bank only for information purposes, and does not amend, nor prevail over the express clauses of any arrangement or Transaction, Collateral Arrangement, as this is defined herein below, or over any rights and obligations that the Bank might have under the applicable law; it does not establish any right or any obligation, and it does not affect in any manner whatsoever the liability and obligations of the Parties.

Moreover, it does not deal with any other alt risk or consequence that could occur from particular circumstances of the customers or as a result of particular terms of the Transactions.

This Information Document is not intended to be, and it should not be deemed to be, legal, financial, tax or accounting advice, or other kind of advice, because the Bank does not provide such advice services, and the Customers should ask their own consultants about entering into a Collateral Arrangement, including the impact on their business, the requirements and consequences of closing any Transaction.

Definitions

In this Information Document:

“**Transaction**” means a transaction closed, performed and agreed between the Customer and the Bank, based on which the Customer agrees with the cash transfer as collateral under a Collateral Arrangement;

“**Collateral Arrangement**” means a contract under which a person who establishes the collateral is transferring the entire title over the financial collateral to a beneficiary of the collateral in order to secure or to ensure the performance of the relevant financial obligations.

Risks and Consequences of the Title Transfer

In the event that a customer provides cash to the Bank under a Collateral Arrangement, please be aware of the following Risks and Consequences of the Title Transfer:

(i) The Customer's Rights, including any ownership rights that the Customer could have in relation to the cash, will be replaced by a contractual and unsecured claim for receiving the cash which will be subject to the terms of the concerned Collateral Arrangement;

(ii) In case the Bank is insolvent or if the obligations under the relevant arrangement are not fulfilled, the Customer's right to ask the Bank to deliver the cash equivalent will not be secured and will not be subject to the terms of the concerned Collateral Arrangement and of the applicable law, and, as a consequence, the Customer could not receive the cash equivalent (although the Customer's exposure could be decreased to the extent this one has obligations towards the Bank that may be offset or for which netting could be applied or which can be annulled by reference to the Bank's obligation to deliver cash to the Customer);

(iii) In the event that a resolution authority exercises its rights under any resolution regime in relation to the Bank, any rights of the Customer, such as how it would be to terminate the arrangement, could be subject to suspension by the relevant resolution authority, and:

- a) the Customer's right to be delivered the cash could be decreased (in whole or in part) or converted into capital; or
- b) a transfer of cash or obligations could result in the Customer's right against the Bank or the Bank's right against the Customer be transferred to different entities,

although the Customer could be protected to the extent the exercise of the resolution power is restricted by the possibility to offset or of netting;

(iv) In the event that the Bank cannot obtain immediately the cash to be transferred to the Customer when necessary: the Customer could no longer be able to fulfil their obligations under a hedging contract or another Transaction that they have closed in relation to the cash.

The Customer will not be entitled to receive any interest in relation to the cash, except for that expressly provided under the Collateral Arrangement, as the case may be.