

**MiFID II PRESENTATION DOCUMENT****BRD - GROUPE SOCIETE GENERALE S.A.****Version 05, applicable as of 28.06.2022**

Any updating of the Presentation Document will be made available to the clients by displaying on the BRD site, at <https://www.brd.ro/en/financial-markets/currency-and-monetary-market/regulatory-information/mifid-ii> and upon the client's request by sending it to an e-mail address communicated in the "Statement on the disclosure of the MiFID II Presentation Document" or to the BRD's units.

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## 1. MiFID II Presentation

**MiFID II** (Markets in Financial Instruments Directive) - Directive 2014/65 / EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments (known as MiFID II) together with Regulation (EU) 600/2014 (MiFIR) replaces Directive 2004/39 / EC (MiFID I) transposed into national laws and regulations by Law no.126/11.06.2018 on markets in financial instruments, ASF Regulation no. 5/2019, as well as by the other regulations adopted in this area.

MiFID II represents the upgrading of the harmonized legal framework governing the requirements applicable to investment firms, regulated markets, data reporting service providers and third country firms which provides investment services or carries out investment activities in the Union.

MiFID II Directive applies to investment firms (credit institutions, financial investment services companies, investment management companies, etc.), market operators, data reporting service providers and third country companies providing investment services or invest in the Union.

The purpose of MiFID II is to improve the competitiveness of EU financial markets and ensure a high level of harmonized protection for investors with financial instruments such as shares, bonds, fund units, derivative financial instruments and various structured products, obtaining a greater degree of transparency of pre-bidding and post-trading that will apply to all trading venues and over-the-counter (OTC) markets.

Client classification is a key element of MiFID II. Clients are informed about their category, along with the associated level of protection (in decreasing order of protection):

- **Retail Clients**
- **Professional Clients**
- **Eligible counterparties**

The classification of clients in one of the MiFID II categories is made either at the time of initiating the business relationship with the BRD or at the time of accessing a product or service that is subject to MiFID II regulations.

Details on each category of MiFID II clients are found in Chapter 4 of the presentation document.

## 2. General information and contact details in relation with BRD - Groupe Societe Generale S.A.

### 2.1 General information

**BRD - Groupe Societe Generale S.A ("BRD")** is a joint stock company, headquartered in 1-7 Ion Mihalache Bvd., District 1, Bucharest, Romania, postal code 011171, registered with the Trade Registry under no. J40/608/19.02.1991, S.R.C./F.I.C. RO361579, EUID: ROORNC.J40/608/1991, registered in the Banking Register under no. RB-PJR-40-007/18.02.1999, registered in the F.S.A.<sup>1</sup> Registry under no. PJR01INCR/400008, [www.brd.ro](http://www.brd.ro).

**BRD's main activity** is "other monetary intermediation activities" (NACE code 6419). Additional information about the Articles of Incorporation of BRD (including the main field of activity) and the shareholding structure,

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<sup>1</sup> The Financial Supervisory Authority (FSA) is the authority established by G.E.O. no.93 / 2012, which took over the activity of the Romanian National Securities Commission (NSC - the regulator and supervisor of the Romanian capital market).

as well as information about the members of the management, as well as the complete list of BRD branches, can be found on the website [www.brd.ro](http://www.brd.ro).

**Supervisory Authority:** National Bank of Romania headquartered in 25, Lipscani St., District 3, Bucharest, postal code 030031

**Phone:** 021.313.04.10; 021/315.27.50; **Fax:** 021.312.38.31;

**Web page:** [www.bnr.ro](http://www.bnr.ro)

**Supervisory Authority for Capital Market Operations:** Financial Supervisory Authority ("FSA"), Financial Instruments and Investments Sector, headquartered in 15, Spaiul Independentei St., District 5, Bucharest

**Telverde:** 0800.825.627 / 004.021.668.1208

**Fax:** 021.659.64.36/ 021.659.60.51

**E-mail:** [office@asfromania.ro](mailto:office@asfromania.ro)

**Website:** [www.asfromania.ro](http://www.asfromania.ro)

## 2.2 Contact data in relation with BRD

<p><b>Trading of financial instruments in OTC and regulated markets</b></p> <p><b>Financial Markets Division</b></p> <p><b>Address:</b> 1-7 Ion Mihalache Bvd., sector 1, BRD Tower, District 1, Bucharest, Romania, postal code 011171</p> <p><b>Phone:</b> +4 021 301 6850 ; <b>Fax:</b> +4 021 301 6853</p> <p><b>E-mail:</b> <a href="mailto:dpf_mifid@brd.ro">dpf_mifid@brd.ro</a></p> <p><i>Information about the members of the BRD team (name, address, telephone / fax number and the e-mail where they can be contacted) regarding the services and investment activities, can be found on <a href="http://www.brd.ro">www.brd.ro</a>, section "Capital markets" Our team"</i></p>	<p><b>Custody Services</b></p> <p><b>Titles Division</b></p> <p><b>Address:</b> Cladirea City Offices, Sos. Oltenitei, nr. 2, etaj 4, District 4, Bucharest Romania, cod postal 041312</p> <p><b>Phone :</b> +4 0731.600.045; <b>Fax:</b> +4 021 200 8373</p> <p><b>E-mail:</b> <a href="mailto:custody@brd.ro">custody@brd.ro</a></p> <p><i>Information about the members of the BRD team (name, address, telephone / fax number and the e-mail where they can be contacted) regarding the custody services, can be found on <a href="http://www.brd.ro">www.brd.ro</a>, section "Custody, storage, issuers/Global and local custody"</i></p>
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<p><b>Reports and Confirmations on Transactions with financial instruments in OTC and Regulated Markets</b></p> <p><b>Financial Market Services Division</b></p> <p><b>Address:</b> 1-7 Ion Mihalache Bvd., sector 1, BRD Tower, district 1, Bucharest, Romania, postal code 011171</p> <p><b>Phone:</b> +4 021 301 48 44 / 4153; <b>Fax:</b> +4 021 301 6875 / 4418</p> <p><b>Email:</b> <a href="mailto:bpf.confirmations@brd.ro">bpf.confirmations@brd.ro</a>; <a href="mailto:bpf.pietecapital@brd.ro">bpf.pietecapital@brd.ro</a></p>	<p><b>Financial Markets Control Department</b></p> <p><b>Compliance Division</b></p> <p><b>Address:</b> 1-7 Ion Mihalache Bvd., sector 1, BRD Tower, district 1, Bucharest, Romania, postal code 011171</p> <p><b>E-mail:</b> <a href="mailto:ConformitatePieteFinanciare@brd.ro">ConformitatePieteFinanciare@brd.ro</a></p>
<p><b>2.3 Clients petitions<sup>2</sup></b></p> <p>Any petition regarding financial investment services will be submitted in writing in the following ways (without limited to):</p> <ul style="list-style-type: none"> <li>- at any unit of BRD;</li> <li>- by e-mail at <a href="mailto:mybrdcontact@brd.ro">mybrdcontact@brd.ro</a>;</li> <li>- the form is available by accessing the Bank's institutional website in the Contact section, the option "Complain" or by using chat function available on institutional site</li> <li>- by post, at BRD , 1-7 Ion Mihalache Bd., sector 1, Bucharest, postal code 011171 for the attention of the Quality Direction;</li> <li>- by bank's Internet banking applications made available to clients in the messaging section;</li> <li>- by official accounts of the BRD on social networks (Facebook, etc.).</li> </ul> <p>The response will be provided within 30 days as of the registration of the petition, regardless of whether the solution is favorable or unfavorable. If a more detailed analysis is required, you will receive a letter where you will be informed on the causes of the delay and the maximum duration of receiving the final response (this term will not exceed by more than 15 days the 30-day deadline from the registration of the petition).</p> <p>Any misunderstandings / disputes between the Client and BRD will be settled amicably, and if they can not be solved in this way, they will be subject to the competent courts of law.</p> <p><b>2.4 Out-of-court dispute resolution procedures</b></p> <p>In the event that the disputes between BRD and the Client - consumer could not be solved following a complaint submitted directly by the latter to BRD, the Client - consumer, who is eligible according to the applicable law, has the possibility to resort to out - of - court dispute resolution organized by Alternative Dispute Resolution Entity in the Financial Non-Banking Domain («<b>SAL – Fin</b>») or by Alternative Banking Dispute Resolution Centre («<b>ADR</b>»).</p> <p>Both SAL-Fin and ADR procedures are optional, voluntary, separate from court proceedings and free for the consumer. The option to address SAL - Fin or ADR does not affect the rights that the client / consumer has under the law, being voluntary extrajudicial procedures.</p> <p><b>SAL – Fin</b> is a self-governing, non-governmental, apolitical, non-profit legal entity of public interest, with legal personality which was established by Government Ordinance no.38/2015 on alternative dispute resolution</p>	

<sup>2</sup> The petition is the claim, complaint or denunciation that discloses to the entity facts such as to prejudice the rights or interests of the petitioner (individual or legal entity, the client / investor of the entity) and through which it expresses dissatisfaction with the investment service and activity provided by the entity.

between consumers and traders and of Regulation no. 4/2016 regarding the organization and functioning of the Alternative Dispute Resolution Entity in the non-banking financial domain in order to ensure the access of non banking financial domain consumers to solving, and is empowered to organize and administer the solution through alternative resolution procedures, of disputes between them and professionals supervised / regulated by the Financial Supervisory Authority.

Contacts SAL-Fin: 15 Splaiul Independentei, District 5, postal code 050092, Bucharest, 0727 871 252/ 0737 SAL FIN (0737 725 346), [office@salfin.ro](mailto:office@salfin.ro).

**ADR**, is an independent non-governmental apolitical, not-for-profit legal entity of public interest established under the Government Ordinance no. 38/2015 on alternative resolution of disputes between consumers and traders.

The examination and alternative resolution of disputes is carried out by the persons registered on the ADR Conciliators List - experts in the field, persons with good reputation, independent and impartial, according to two types of procedures:

- (i) proposing a solution (conciliation): the procedure is completed after the parties have accepted the solution proposed by the conciliator. The term in which the parties can accept / reject the solution is 15 days from the communication. The parties may withdraw from the proceedings at any time.
- (ii) imposing a solution (arbitration): the procedure is completed by pronouncing a solution that is binding on both parties. The procedure is similar to that of the courts, but the terms are shorter, of maximum 90 days, and can be set by mutual agreement. The parties cannot withdraw from the procedure;

The conciliators / arbitrators appointed to resolution the disputes propose or impose a solution, depending on the chosen procedure, following the analysis of the documents and the discussions with the parties  
More information about the procedures administrated by ADR can be found on the website <https://csalb.ro>.

Contacts ADR: 24 Sevastopol street, floor 2, District 1, Bucharest, Romania, phone: 021 9414, email: [office@csalb.ro](mailto:office@csalb.ro).

### 3. Services that BRD may offer to Clients

#### 3.1 Investment services and activities:

1. Reception and transmission of orders relating to one or more financial instruments;
2. Execution of orders on behalf of clients;
3. Dealing in own account;
4. Investment advice;
5. Underwriting financial instruments and / or placing financial instruments on a firm commitment basis;
6. Placing financial instruments without firm commitment basis.

Currently, BRD does not offer investment advice in financial markets.

#### 3.2 Ancillary services:

1. Safekeeping and administration of financial instruments for the account of clients, including custodianship and related services such as cash/collateral management and excluding

- providing and maintaining securities accounts at the top tier level ('central maintenance service') referred to in point (2) of Section A of the Annex to the Regulation (EU) No 909/2014;
- 2. Business consulting services for capital structure, industrial strategy and related issues; consulting and services for mergers and acquisitions;
- 3. Foreign exchange services where these are connected to the provision of investment services;
- 4. Investment research and financial analysis or other forms of general recommendation relating to transactions in financial instruments;
- 5. Services related to underwriting.

#### **4. Classification of Clients in accordance with MiFID II**

All Clients accessing financial investment services, respectively, carry out financial investment activities within the scope of MiFID II application must fall into one of the three categories mentioned in descending order of protection:

- a. Retail clients**
- b. Professional clients**
- c. Eligible Counterparties**

Client Segmentation is required to identify and provide the appropriate protection for each type of client.

**Retail clients** are those Clients that benefit from the highest level of protection, which involves a greater exchange of information between you and BRD. At the same time, higher protection means:

- i. information regarding the products in which the Client is going to invest, informing it before the transaction, during and after the transaction;
- ii. assessing the opportunity of the product or service provided to the Client based on its knowledge and experience;
- iii. best execution of orders under existing market conditions;
- iv. speed and fairness in order processing;
- v. assessing the suitability of the investment advice or management mandate for the Client's personal situation when BRD provides these services

Retail clients include individuals and legal entities that do not qualify as Professional clients (according to the criteria presented under point b below).

For a greater protection, according to MiFID II, municipalities and local public authorities are classified as Retail. The Competent Authority may issue regulations on the adoption of specific criteria for assessing the competence and knowledge of representatives of municipalities and local public authorities requesting them to be considered as Professional clients.

BRD will not accept from clients in the Retail category financial collateral arrangements with transfer of ownership to guarantee financial obligations.

**Best execution of orders**

According to the requirement of best execution, we are obliged to execute directly or ask a market participant to execute your orders under the most favorable conditions for you, according to predefined criteria in our Execution Policy (see "Best execution and client order handling policy for Retail and Professional clients") published on the BRD site at the address: <https://www.brd.ro/piete-financiara/piata-valutara-si-monetara/informatii-reglementare/mifid-ii>.

Note: In the case of fund units, BRD, as a distributor, only takes over and transmits the order. Execution of the order is carried out by the management company of fund units which secures the issuance of fund units related to the subscriptions, respectively the cancellation of the fund units related to the redemptions, BRD, as the distributor, not being involved in this process.

**Stipulations referring to order processing**

We must ensure that the procedures and provisions that guarantee the rapid and fair execution of your orders against other orders or our own orders are enforced.

**Duty to inform**

We have the obligation to provide you with information about the product or service offered.

The information communicated to you must be precise, accurate, clear and not misleading. It should allow you understand the nature of the service that is provided to you and the type of financial product you will invest in.

Good information should not contain ambiguities in form and content, especially in key aspects: the nature of the financial instrument, the operation, the existence or absence of a security, risks, duration of an investment, costs and expenses, performance, etc. Once the transaction has been completed, we also must send you the confirmation of execution order, reports regarding this transaction (see Chapter 8.2, "Communications and Reports to Post-Trading Clients").

**Verifying the opportunity of a product or service provided**

For services of reception / transmission of orders, execution of orders, trading of financial instruments (as defined under MiFID II) and trading on own account, we have the obligation to determine whether the product or service we intend to offer is appropriate for you. For this purpose, we have an obligation to request information about your knowledge and experience to determine whether they allow you to understand the risks inherent in the type of product or service in question.

If we believe the product / service is not appropriate for you, we will notify you of this fact. If, on the contrary, you have sufficient knowledge about the risks involved in the product, you will be able to perform the operations without any warning from us (see Chapter 6 "Opportunity").

**Verifying the appropriateness of investment advice to the Client's situation**

Currently, BRD does not offer recommendation or investment advice for investments on the financial markets.

To the extent that BRD will provide non-independent investment advisory services, the Bank will request the necessary information on the knowledge and experience of the Client or the potential Client.

In relation to the specific type of product or service, its financial situation, including its loss-making capacity, risk tolerance and its investment objectives, BRD will recommend the investment services



and financial instruments deemed appropriate and, in particular, which corresponds to its tolerance for risk and its loss-making capacity (following the results of the "Adequacy Test"),

**Verifying the suitability of the portfolio management mandate for your situation**

Currently, BRD does not offer investment portfolio management services in financial markets.

**a. Professional clients** are clients who possess the experience, knowledge and ability to make the investment decision and evaluate the risks involved. Professional clients benefit from a lower degree of protection than Retail clients.

The category of Professional clients comprises:

- i. Entities to be licensed or regulated to operate in financial markets. The list below includes all authorized entities that carry out activities characteristic of the mentioned entities: entities authorized in Romania or in a Member State under a directive, entities authorized or regulated in Romania or in a Member State without reference to a directive and authorized entities or regulated by a third country:
  1. credit institutions;
  2. investment firms and S.S.I.F;
  3. other authorized or regulated financial institutions;
  4. insurance companies;
  5. collective investment undertakings and their management companies;
  6. pension funds and their management companies;
  7. entities performing transactions in commodities and derivatives on them;
  8. traders;
  9. other institutional investors.
- ii. Companies that meet at least two of the following requirements:
  1. balance sheet total: minimum EUR 20,000,000
  2. net turnover: minimum EUR 40,000,000
  3. own funds: minimum EUR 2,000,000
- iii. National and regional governments, including public entities that manage public debt at national or regional level, central banks, international and supranational institutions such as the World Bank, the International Monetary Fund, the European Central Bank, the European Investment Bank and other similar international organizations.
- iv. Other institutional investors whose principal activity consists of investing in financial instruments, including entities dealing with asset securing or other financial operations.
- v. The natural person / administrators and the directors of the entities / the person authorized to carry out transactions on behalf of the entity fulfilling the legal conditions required by the law, namely the fulfillment of at least two of the following criteria:
  1. the client has performed a significant number of transactions with financial instruments, with an average frequency of 10 per quarter over a previous period of at least four quarters\*;

2. the value of the client's financial instruments portfolio, including bank deposits and financial instruments, exceeds EUR 500,000\*;
3. the client has been working or has been active in the financial sector for at least one year in a professional position requiring knowledge of transactions or financial investment services\*\*.

\*In the case of legal entities, the analysis of transactions and financial instrument portfolio refers to the company for which the framing is sought. For transactions carried out for regulated markets, multiple executions of a single trading order will be considered as a single transaction.

\*In case of individual persons, the analysis of transactions and financial instrument portfolio refers to the activity carried out by the individual person, which the framing is sought.

\*\* In the case of legal entities that do not fall into the Professional category according to the criteria mentioned in art. 2, Section A of Annex no. 2 of Law 126/2018, the person to be assessed is the person mandated to carry out transactions on behalf of that legal entity; all persons mandated must fulfill this requirement in order to consider fulfilled the criteria at the level of the legal person.

**b. Eligible Counterparties** are entities authorized or regulated to operate in the financial markets:

- to carry out an activity, to have a status assigned by law to be lawful in this category (e.g. credit institutions, insurance companies, etc.), or

- meet the "Professional client" access conditions, meeting at least two of the three regulatory criteria: a turnover of at least EUR 40 million, a total balance sheet of at least EUR 20 million and own funds of at least EUR 2 million, and in addition, the client must opt for "Eligible Counterparty" status.

Member States shall recognize as eligible Counterparties investment firms, credit institutions, insurance undertakings, collective investment undertakings(UCITS) and their management companies, pension funds and their management companies, other financial institutions authorized and regulated under European Union law or with the national law of a Member State, national governments and services / structures established under the national law of each State, including public bodies responsible for national public debt management, central banks and supranational organizations.

These clients benefit from the lowest degree of MiFID II protection.

Protective features not applicable to Eligible Counterparties due to their particular status:

- a. best execution;
- b. verifying the opportunity of the product or service provided for the services of receiving / transmitting orders, executing orders and trading on their own account;
- c. verifying the suitability of the investment advice or management mandate for their situation;
- d. the duty to inform;
- e. Transparency of cost and commission information based on Client's agreement within the limits allowed by applicable MiFID regulations;

In addition, disregarding your client category, the investment service provider must comply with organizational obligations, in particular those intended to prevent conflicts of interest, which guarantee

continuity and regularity of providing investment services or those intended to preserve your rights over the the entrusted assets.

Under MiFID II, BRD is categorised as Eligible Counterparty.

### **Changing the level of protection**

The Bank may, either on its own initiative or at the request of the Client, treat a Client as:

- a. Professional client or a Retail client where, otherwise, that client would fall within the eligible counterparty category under Article 102 (3) of Law 126/2018 / EU;
- b. a Retail client when that Client is considered to be a Professional client in accordance with Section A of Annex II to Law 126/2018.

The request to change the level of protection at a lower level must be made in writing by the Client and applied only in compliance with the provisions of MIFID II. BRD will inform the Client on the possibility of changing this classification on request in the sense of becoming a Professional client or eligible counterpart, stating that they will benefit from a lower degree of protection.

Also, the request to change the level of protection at a higher level must be mandatory made in writing by the Client (eg, from Professional client to Retail client).

Professional clients and eligible Counterparties have the responsibility to inform BRD of any changes that may affect their classification. If BRD finds that a Client no longer meets the initial conditions on the basis of which it was considered to be a Professional client or an eligible counterparty, the Bank shall take appropriate measures.

## **5. Target Market**

Based on regulatory criteria established at the regulatory level, BRD determines the Client's profile from an investment point of view and establishes the financial instruments considered appropriate for each profile. They must meet the needs of the Clients in those **target markets**.

Fitting the target market applies to all types of clients to whom investment services are provided, except for the custody service for which the target market is not necessary.

The criteria on which the target market is established are the following:

- a. target client type;
- b. knowledge and experience;
- c. the financial situation;
- d. risk tolerance;
- e. client's needs and goals.

Depending on the Client's responses to the Investment Profile Evaluation Questionnaire, BRD assigns to the Client an investment profile type on which it can access the range of financial instruments assigned by BRD to each profile, both complex and non-complex, so as defined in Chapter 9, paragraph 9.1 of this document.

**The negative target market** refers to the financial instruments in which the Client should not invest. The Bank defines the financial instruments that it does not consider appropriate for the Client's investment profile. In such situations, BRD sends a Warning to the Client indicating that the requested product does not match its profile.

If the Client, after receiving the warning, intends to continue to access the product, BRD has the right to decide whether to continue trading the product with the Client.

## **6. Appropriateness**

BRD requires the MiFID II Retail client to provide information on its investment knowledge and experience in relation to the particular type of product or service proposed or required, so that BRD is able to determine whether the investment service or product envisaged is appropriate for the Client (Appropriateness Test).

If the Client does not provide the information referred to in the previous paragraph or if he provides insufficient information about his knowledge and experience, BRD warns him that it is not in a position to determine whether the envisaged service or product is appropriate.

If BRD estimates that, in accordance with the above, the product or service is inappropriate for the Client, it warns him of this aspect and, depending on the nature of the product (non-complex or complex financial instrument), can decide whether to continue the trading process with / offering the service to the Client (s).

BRD requires the Client to complete the appropriateness test for all complex and non-complex financial instruments.

## **7. Safeguarding Clients' Assets. Investor Compensation Fund**

### **7.1 Safeguarding clients' assets**

BRD provides custody services directly or through local / international depositaries or global / local custodians for the following types of dematerialized financial instruments, without the listing being limited: shares, preference rights, bonds, government bonds, fund units, etc.

### **7.2 Investor Compensation Fund**

BRD - Groupe Societe Generale S.A. is a participating member of the Investor Compensation Fund („ICF” or „Fund”).

ICF is a legal entity under public law which carries out its activity in accordance with Law no. 88/2021 on the Investor Compensation Fund, Regulation 10/2022 on the Investor Compensation Fund and procedures on the payment of compensation, as subsequently amended and supplemented,

The purpose of the ICF is to compensate investors, under regulations, in case (i) of incapacity of the ICF members to return the money funds and /or the financial instruments owed or belonging to the investors, who were held on their behalf, upon the provision of investment services and activities and

(ii) operations by which an ICF participant, as a participant in the central depository system, transfers, without the prior consent of an investor, financial instruments held by the investor from the individual account opened in its name to the central depository to the global account. opened by the respective ICF participant at the central.

ICF compensates investors in any of the following situations:

- (a) FSA finds by decision that an ICF participant, for reasons directly related to the financial situation, is not able to fulfill its obligations arising from the debts of investors and there is no prospect of fulfilling these obligations as soon as possible;
- (b) the competent court, for reasons related to the financial situation of a participant in ICF, issues a decision regarding the opening of the insolvency procedure according to Law no. 85/2014 regarding the insolvency prevention and insolvency procedures, having as effect the suspension of the investors' possibility to exercise their rights regarding the capitalization of the receivables over the respective entity;
- (c) a participant at ICF has his authorization withdrawn and any of the conditions from letter (a) or (b) above is fulfilled.

The Fund will equally and indiscriminately compensate eligible investors within a maximum amount representing the equivalent in Lei of EUR 20,000 / individual investor.

The following categories of investors are exempted from compensation:

- a. Professional and institutional investors, including:
  - i. investment firms as defined in art. 4 para. (1) point 2 of Regulation (EU) no. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) no. 648/2012;
  - ii. credit institutions;
  - iii. financial institutions
  - iv. insurance and reinsurance companies;
  - v. collective investment undertakings;
  - vi. pension funds
  - vii. other professional and institutional investors
- b. international organizations, governments and other central public, regional and local administration authorities,
- c. directors, administrators and members with direct responsibility from the participants in the Fund, persons whose responsibility is to prepare the audit of the participants in the Fund ;
- d. the shareholders of the participants in the Fund holding at least 5% of the share capital of the respective participant;
- e. investors with a status similar to those mentioned in letter c) and d) within other companies from the same group with the participants in the Fund;
- f. spouses, relatives and up to first degree in-laws, as well as the persons who act on behalf of the investors mentioned at letter c)- e);
- g. legal persons within the same group as the Fund members;

- h. persons who have a responsibility for or have obtained benefits from certain situations, in connection with a participant in the Fund, which have caused to the financial difficulties of the participant or have been likely to lead to the deterioration of his financial situation
- i. companies that, due of their size, are not allowed to prepare an abridged balance sheet according to the accounting regulations.

Regarding the Clients' investments in fund units of to Investment Funds for which the BRD acts as distributor, BRD informs the Client that:

- investment funds are exempted from investor compensation schemes and offer no guarantee as to the recovery of the invested funds; and
- investments in fund units are not available funds in bank accounts and are not secured through the Bank Deposit Guarantee Fund.

The Fund suspends any payment for investors who are under criminal investigation, in connection with an action arising out of or in connection with money laundering or terrorist financing, until a final decision is given by the competent court or for investors who are under the effect of a international sanction.

Information on how to pay the compensation, as well as on the Fund's procedures can be obtained at: Fondul de Compensare a Investitorilor SA, SRC 18005590, Trade Registry number J40 / 16596 / 30.09.2005, 34-36 Carol I Bvd., 3<sup>rd</sup> floor, room 1-2, postal code 020922, district 2, Bucharest, Romania, phone:021.315.73.48, fax:021.315.73.40, e-mail [office@fond-fci.ro](mailto:office@fond-fci.ro) , [www.fond-fci.ro](http://www.fond-fci.ro).

## **8. Providing Information and Reporting Obligations to Clients**

### **8.1 Information and Communication to Pre-Trading Clients**

BRD will provide Clients with the following types of pre-trading information:

- a. **Retail Clients:** Key Information Document (KID) (for products where is a requirement to provide this document), information on transaction costs and commissions;
- b. **Professional Clients:** information on Transaction Costs and Charges.

In the case of transactions with the fund units, Clients will be informed of the Fund's expenses in which they wish to invest.

### **8.2 Communications and Reports to Post-Trading Clients**

BRD - Groupe Societe Generale S.A. will provide Clients with at least the following post-transaction documents on the transactions performed and / or the holdings of the accounts, depending on the investment service offered:

- a. the trading confirmation transmitted at the latest on the next business day immediately following the trading date;
- b. the reporting form on the regulated capital markets(Portfolio) which will be sent at least quarterly or whenever requested by the Client

- c. the statement of account transmitted at least quarterly or whenever requested by the Client, in the case of money funds existing in the accounts dedicated to the capital markets intermediation operations or where operations have been carried out through these accounts (except for transactions with fund units);
- d. the annual report on all costs and charges related to the investment services offered by BRD.

General communications and notifications are transmitted by the means of communication agreed in specific contracts. MiFID related notices, communications, and reports are transmitted as outlined in Statement on the disclosure of the MIFID II Presentation Document and the Best Execution and ClientOrder Handling Policy for Retail and Professional Clients.

The language in which all communications / notifications / reports required by the specific contract between the Client and BRD. is the Romanian language, unless otherwise stipulated in the contract signed between BRD and the Client.

Reports and any other written communications on Client transactions to be sent by BRD shall be deemed to be correct and approved by the Client if, within the maximum period provided in the specific agreement, the Client has not issued any written notice indicating the existence of possible irregularities.

### 8.3 Recording the conversations based on Client's consent and keeping records

The bank informs the Client that, in accordance with the applicable law:

8.3.1 BRD may record all telephone conversations, e-mail (including e-mail messaging, and any documents and information transmitted via the Bank's online banking platform). In case of face-to-face conversations between BRD and the Client, the registration can be done by using minutes or written notes;

8.3.2 BRD will store the records referred to in paragraph 8.3.1 above for 5 years and, when requested by the relevant supervisory authority, for a period of 7 years;

8.3.3 Upon Client's request made within the period referred to in paragraph 8.3.2 above, BRD shall make available to to him/her the records referred to in paragraph 8.3.1 above; and

8.3.4 Subject to the applicable law, BRD shall make available to the relevant supervisory authority the records referred to in paragraph 8.3.1.

8.3.5 BRD and the Client agree that recordings of telephone conversations, electronic correspondence and conversations that take place face to face between the Bank and the Client are conclusive evidence and conclusive evidence of the contents of the instructions, conversations or messages so recorded, and may be used in any judicial, extrajudicial, administrative or arbitration proceedings.

## 9. Financial Instruments and Risks Associated with Investments in Financial Instruments

### 9.1 Financial instruments

Under MiFID II, financial instruments are divided into two distinct categories according to their degree of risk:

- a. non-complex financial instruments;
- b. complex financial instruments.

- a. **Non-complex financial instruments** from the MiFID II perspective are as follows:
  - i. shares admitted to trading on a regulated market or equivalent market of a third country or in an MTF, if they are shares in companies, except shares in collective investment undertakings other than UCITS and shares incorporating a derivative;
  - ii. bonds or other forms of debt instruments admitted to trading on a regulated market or equivalent market of a third country or in an MTF, except those incorporating a derivative or a structure that makes it difficult for the Client to understand the risks involved;
  - iii. money market instruments, except those incorporating a derivative financial instrument or a structure that makes it difficult for the Client to understand the risks involved;
  - iv. shares or units of UCITS, with the exception of the structured UCITS referred to in the second subparagraph of Article 36 (1) of Regulation (EU) No. 583/2010;
  - v. Structured deposits, with the exception of those incorporating a structure that makes it difficult for the Client to understand the risks associated with profitability or the cost of foreclosure of the product;
  - vi. other financial instruments which are not complex for the purposes of this paragraph.
- b. **Complex financial instruments** are the other financial instruments that are not listed in a) above (e.g. structured placements that incorporate a complex financial structure, derivatives: FX Forward, FX Swap, FX Option, Forward Rate Agreement, Interest Rate Option, Interest Rate Swap, listed structured products, etc.).

The main financial instruments in relation to which BRD offers financial investment services are:

**Fixed income** such as government bonds, treasury certificates, corporate bonds, etc.: they are fixed income (coupon) financial instruments that can be traded on the secondary or primary market; it is a form of loan that gives the holder a right of claim on the issuer of these securities. Depending on the type of issuer, fixed-income securities may be government (government securities issued by central government), municipal (issued by local government) or corporate (issued by commercial / financial companies).

**Government bonds** – they are debt securities issued by the government and, depending on their maturity, they are divided into:

- a) *bonds* - government titles with an original maturity of more than 1 year, with periodic interest payments (coupon)
- b) *treasury bills* - government bonds with an initial maturity of less than one year, without coupon, issued at a value lower than their nominal value payable at maturity.

Depending on the moment of trading of government securities, there are two types of trading markets:

- a) *the primary market* where investors may acquire securities at the date of issue by the issuing state (by the Ministry of Finance in the case of Romania) through a bank acting as an authorized primary market intermediary;



- b) *the secondary market*, where investors may enter into transactions with government securities after their issuance, in counterparty with or using the services of authorized intermediaries

**Options** - are bilateral contracts where a party acquires the right to buy or sell to the other party a financial instrument or a commodity at a predetermined price. The party acquiring this right (option) is the buyer and pays a price (strike price) in advance to the seller of the option. By the time the option is exercised, the parties have no obligation towards each other.

**Forward** - is a contract in which the parties engage in a transaction with a future settlement date and at a preset quotation. This type of contract can take a variety of forms depending on the underlying asset, such as forward currency (buy / sell a currency against another at a future date), forward rate agreement (FRA), etc. Thus, the two parties undertake to buy or sell a certain underlying asset at a future date and at an agreed price at the date of the transaction.

**Swap** - is a derivative contract in which the parties change certain benefits of a financial asset (s). The benefits that are subject to this exchange depend on the type of financial asset. Basically, the two parties decide to exchange a cash flow against another. The swap contract defines the dates when this cash flow will take place and how the amounts will be calculated. As a rule, at the time of the transaction initiation, at least one of the cash flows is dependent on a market variable such as interest rate, exchange rate, commodity price, etc.

**Structured placements** - are placements whose return depends on the evolution of a support asset, such as exchange rate, interest rate, commodity price, stock index, stock basket, etc. Capital can be guaranteed on maturity or not, depending on the product. One of the risks is that the discounted return is inferior to a term deposit if the projected scenario is not confirmed by the evolution of the underlying asset. In case of the anticipated liquidation of the placement there is the risk of partial recovery of the invested capital.

**Foreign exchange transactions on a collateral basis** - are executed by BRD on the order of the Client, based on a collateral deposit with the BRD. The Client's open position may not exceed an agreed multiple of the amount set as collateral. This collateral deposit is intended to cover any unfavorable differences that may result from foreign exchange transactions. Foreign exchange transactions based on collateral deposit are not accepted for Retail clients.

**Shares** - are variable income financial instruments. Shares confer on the holder the shareholder status and ownership right over the issuer's net assets according to the number of shares held in the total number of shares issued.

**Preferential rights** - are negotiable securities that incorporate the right of the holder to subscribe with priority shares in a share capital increase according to the number of rights held on the subscription date, within a specified period of time.

**Fund units** - represents a holding of capital in the net assets of an investment fund.

**Exchange Traded Products (ETPs)** - are financial products relatively similar with investments funds with the difference that investors can trade them on regulated markets (stock exchanges). They are designed to track the performance of an index of shares, bonds, commodities or currencies, etc.

**Futures** are derivative financial instruments whose price derives from the price of another financial instrument commonly called the underlying asset (shares, exchange rate, etc.). A futures contract is the commitment to buy or sell a certain amount of the underlying asset at a negotiated price at a certain date in the future. Fulfilling the commitment of a futures contract at maturity is generally achieved by paying the difference between the value of the futures contract and the spot price of the underlying asset.

## 9.2 Risks associated with investments in financial instruments

**Market risk** - the risk of losses on balance sheet and off-balance sheet items due to unfavorable market price fluctuations (such as, for example, share prices, interest rates, exchange rates);

**Sectoral risk** - is given by investing in companies belonging to the same economic sector or dependent on one branch. In the event of economic instability in the sector concerned, all these companies may be negatively affected.

**Risk of total loss** - is the risk that an investment becomes worthless, total loss may occur when the issuer of a security is no longer able to pay its obligations for economic or legal reasons.

**Transfer risk** - depending on the country concerned, the issuers securities or foreign investors present an additional risk arising from possible control measures that may complicate or even hinder the realization or liquidation of an investment.

**Interest rate risk** - is the risk deriving from unfavorable changes in the interest rate and its effect on the present value of future cash flows generated by the investments made.

**Inflation risk** - is reflected in the depreciation of the capital purchase value due to the increase in the inflation rate.

**Credit risk** - the current or future risk of a negative impact on profits and capital as a result of a default by the borrower of its contractual obligations or its failure to meet established ones; each issuer traded in the capital markets presents a certain degree of risk, given that past performance is not a guarantee of future performance. Credit risk refers to the possibility of a counterparty's insolvency, namely the inability of one of the parties to a transaction to fulfill its obligations, such as the payment of dividends, interest, repayment of principal at maturity, or failure to meet these obligations in full.

**Foreign exchange risk or currency risk** is the risk that the value of an investment is affected by exchange rate fluctuations.

**Liquidity risk** is the risk that not being able to meet expected and unexpected cash flow or collateral requirements, current and future, when they become due and reasonably priced.

**Early redemption risk ("callable")** is specific to issuers who reserve the right to early repurchase the bond issue under certain circumstances.

**Leverage risk** can lead to considerable losses, even over relatively short periods of time. The prices of leveraged instruments are significantly influenced by changes in the price of the underlying asset, such variations being able to lead to substantial gains but also to considerable losses.

**The risk related to investments in units fund** is, but not limited to, the possible loss suffered by the Client as a result of the decrease in the unit value of the fund's net assets.

#### **10. The non-existence of the right to terminate unilaterally for transactions with distressed financial instruments**

BRD informs the Client that it will not benefit from the right to terminate unilaterally the transactions with financial instruments concluded at a distance nor to the right to unilaterally terminate contracts for financial investment services whose pricing depends on fluctuations in the financial markets that may occur during the withdrawal period and are independent of BRD, being related to:

- a) foreign exchange transactions;
- b) money market instruments, including government bonds with a maturity of less than one year and certificates of deposit;
- c) securities;
- d) titles in collective investment undertakings;
- e) financial futures, including similar contracts with final settlement in funds;
- f) forward rate and interest rate (FRA) agreements;
- g) interest rate, exchange rates and shares swaps;
- h) options on any financial instrument referred to in b) - e), including similar contracts with final settlement in cash; this category also includes options on the exchange rate and on the interest rate.

#### **11. Conflict of Interest and Inducement**

##### **11.1 Conflict of interest**

In accordance with MiFID, BRD has established a policy to identify, prevent and manage conflict of interest.

The conflict of interest policy establishes the identification of the circumstances that constitute a potential conflict of interest or could lead to a potential conflict of interest causing a material risk or harm to the interests of one or more Clients as well as specifying the procedures to be followed and the measures to be taken in order to manage these conflicts. BRD will take all measures to ensure that conflicts of interest between BRD, BRD employees, or any person directly or indirectly in control of BRD and the BRD's Clients, as well as between combinations of the above situations, are identified and then prevented and managed so that Client's interests are not affected.

In order to prevent conflict of interest and strengthen client confidence, BRD's policy on conflicts of interest consists of appropriate procedures and controls aimed at:

- a. preventing conflict of interest, including, where applicable, refusal to perform an activity, operation or mandate;
- b. supporting the activity in a way that ensures that the interests of the Clients are pursued and protected;
- c. respecting the confidentiality of information in all activities that may generate conflicts of interest;

- d. establishment of confidential areas separated by Chinese walls in order to guarantee the strict confidentiality of the various activities that could generate conflicts of interest as well as to defend the interests of its Clients:
- separation of decision, execution and supervision functions (back-office and IT services are independent of the front office);
  - separation of duties so as to avoid the fulfillment by the same person of tasks that may result in errors that are difficult to detect or activities that may be susceptible to abuse and that expose Clients or BRD;
  - security and control mechanisms of computer systems to ensure the confidentiality and safe guarding of stored data and information, files and databases;
  - the allocation of non-transferable personal access codes and / or passwords to each employee and management staff;
  - recording all telephone conversations within BRD in connection with transactions with Clients. These records, owned by BRD., may be used as evidence in the event of a dispute.

The personnel engaged in the performance of the financial investment services are obliged, in carrying out their activity, to strictly observe the principles regarding: honesty, good faith and confidentiality of information, diligence, knowledge of the Client, adequate information, management of conflicts of interest and compliance with the regulations in force.

Any further details on the conflict of interest policy will be made available to the Clients upon their request through the Financial Investment Services Agent / Agents / Client Relations Staff.

## 11.2 Inducement

BRD does not receive benefits / inducements for the distribution of fund units of BRD Asset Management S.A.I. S.A., receives a fee for the provision of services according to the fund unit distribution contract. The value of the fee is established in the contract between BRD Asset Management S.A.I. S.A and BRD as a distributor, in compliance with the legal regulations in force. This fee does not represent an additional expense for the investor, being an expense supported by BRD Asset Management S.A.I. S.A. as administrator, and therefore does not affect the price paid by the investor.

The fee does not affect the obligation of BRD and BRD Asset Management S.A.I. S.A to act honestly, fairly and professionally in the best interests of investors.

Also, BRD could agree on new contractual relationships, where BRD could accept inducement to provide financial investment services. These inducement will be used to improve the services offered to Clients and to ensure the long-term quality of the relationship with the Clients and are established in accordance with the principles for avoiding conflicts of interest.

## 12. Costs and Charges

### 12.1 Costs and charges for Retail Clients

The costs and charges charged by BRD for the investment services and activities and ancillary services mentioned under points 3.1 and 3.2 of this document are detailed in:

- the specific contracts that the Client enters into with BRD (for example, in the Financial Investment Services Agreement and the Custody Agreement);
- in the Key Information Document (hereinafter referred to as "KID");
- information made available to clients on the BRD's institutional website

Cost and charges information is presented to pre-and post-trade Retail clients.

Cost and charges information is aggregated. Upon request, they may also be provided based on the cost & charge types.

## 12.2 Costs and charges for Professional clients and eligible counterparties

The costs and charges charged by BRD. for the investment services and activities and ancillary services mentioned under points 3.1 and 3.2 of this document are in:

- specific contracts that the Clients enters into with the Bank (for example, in the Financial Investment Services Agreement and the Custody Agreement);
- information made available to clients on the BRD's institutional website.

Cost and charges information is presented to Professional and eligible Clients pre-transaction through the document "Maximum costs and charges applicable to transactions and services related to financial instruments" published on the Bank's institutional website at the address <https://www.brd.ro/en/financial-markets/currency-and-monetary-market/regulatory-information/mifid-ii> and post-trading in the annual report on all costs and charges related to the investment services offered by BRD.

Cost and charges information is aggregated. Upon request, they may also be provided broken down by type of costs and charges. Without prejudice to this provision, you agree to a limited application of the requirement to provide information on associated costs and charges within the limits allowed by the MiFID applicable regulations.

## 12.3 General information on costs and charges

For operations performed on the Client's current account as well as for the administration of its current account, charges and commissions are charged according to the Fees and Commissions Guide and the BRD's Interest Rates List, made available to the Client on the BRD's website.

For the determination and payment of the income tax on the gains realized by the individuals / legal entities from the transfer of securities and from any other operations with financial instruments, including financial derivatives, the tax legislation in force, according to Law 227/2015 on the Fiscal Code, with subsequent amendments applies.

Non-resident investors may designate a fiscal representative.

The commissions and charges charged by market institutions (stock exchanges, central depositories) and the FSA for the operations performed in the Romanian capital market can be found on their web pages: [www.bvb.ro](http://www.bvb.ro) , [www.depozitarulcentral.ro](http://www.depozitarulcentral.ro) , [www.asfromania.ro](http://www.asfromania.ro) .

In the case of a distressed contract, the payment methods and payment arrangements will be specified before the specific distressed contract is signed.

### 13. Research

Investment research means research or other information that recommends or suggests an explicit or implicit investment strategy regarding one or more financial instruments or issuers of financial instruments, including any opinion on the present or future value or value or price of such instruments for distribution channels or for the public and in relation to which the following conditions are met:

- a. it is labeled or described as investment research or in similar terms, or otherwise presented as an objective or independent explanation of the aspects contained in the recommendation; and
- b. if the recommendation in question was made by a firm to a client, and this would not constitute the provision of "investment advice" under MiFID II.

MiFID II divides research into:

1. research for which the beneficiary client will have to pay for the service;
2. research on minor non-pecuniary benefits that is received free of charge by the client

Clients who use the analysis reports received from BRD to carry out investment advisory or other principal or ancillary investment services, as defined for third parties in the MiFID II / MiFIR legal package, are required to notify BRD thereof and to conclude a contract for a cost in order to continue receiving the research reports.

### 14. PRIIP (Individually structured and insurance-based investment products)

#### 14.1 Information on PRIIP

PRIIP creators - such as fund managers, insurance companies, credit institutions or investment firms - need to prepare the key information document about the PRIIP they create. The Key Information Document will be prepared by the PRIIP creator before the product is offered for sale to MiFID-rated Retail investors. Retail investors must be provided with the information they need to make an informed investment decision and compare the different PRIIPs.

#### 14.2 Key Information Document (KID)

Key Information Document (**KID**) means the document regulated by Regulation (EU) No. 1286/2014 on key information documents for structured and insurance-based individualized investment products (PRIIP), made available to **Retail clients** in accordance with MiFID provisions before performing a transaction, providing essential information on the chosen investment product (eg. what is the product, what are the costs, risks, gains and potential losses from the investment product, etc.). KID is not available to Professional clients and eligible Counterparties.

The Key Information Document will contain information mainly on the nature and characteristics of the product, including the possibility of losing the capital, the costs and the risk profile of the product, relevant information on the potential performance of the product and other specific information that

may be required so as to understand the characteristics of some distinct product types. In a KID one can find the following sections:

- a. **"What is this product?"**, the nature and main characteristics of the structured and insurance-based individual investment product;
- b. **"What are the risks and what could I get in return?"** a brief description of the risk and return profile;
- c. the section **"What happens if BRD is unable to pay out?"**, a brief description of the possibility that the related loss would be covered by an investor compensation scheme or guarantee, and if so, what is the scheme, the name of the guarantor and the risks covered by the scheme as well as those that are not covered;
- d. The **"What are the costs?"** section presents the costs of investing in a structured and insurance-based individual investment product, including the direct and indirect costs to be borne by the individual investor, including single and recurring costs presented through synthetic indicators of these costs and, in order to ensure comparability, the total cumulative costs expressed in monetary and percentage terms in order to indicate the cumulative effects of the total costs on the investment;
- e. **"How long should I hold it and can I take my money out early?"** section
- f. **"How can I complain?"** Information about how and where an individual investor may lodge a complaint about the product or the behavior of the PRIIP creator or a person advising on the product or who sells it;
- g. the **"Other relevant information"** section, a brief description of all additional information documents to be made available to the individual investor at the pre-contract and / or post-contract stage, except for any marketing material.

The Key Information Document is provided to the Client free of charge.

#### 14.3 How the Key Information Document (KID) is provided to the Client

The Key Information Document is provided to the Client by email or paper, according to the Statement on the disclosure of the MIFID II Presentation Document and the Best Execution and Client Order Handling Policy for Retail and Professional Clients.

If the Key Information Document is made available to the Client using a durable means other than hard copy, ie by sending it by e-mail or by publishing through an internet website, BRD shall provide, upon its request, a hard copy.

#### 15. LEI Code

In compliance with the provisions of:

- [Regulation \(EU\) No. 600/2014 of the European Parliament and of the Council](#) of 15 May 2014 on financial instruments markets and amending Regulation (EU) 648/2012 ("MiFIR");
- [Directive 2014/65 / EU of the European Parliament and of the Council](#) of 15 May 2014 on financial instruments markets and amending Directive 2002/92 / EC and Directive 2011/61 / EU (MiFID II)

it is the responsibility of all legal entities that are and will be involved in **financial transactions to obtain the LEI code** (*the unique identifier of a legal entity - Legal Entity Identifier*)

Thus, in order to comply with legal requirements, **before providing its legal entities clients with financial instruments trading services that generate reporting obligations (except for fund unit transactions) BRD must have information on their LEI code, the LEI code being required for the purpose of conducting trading reports.**

**The LEI code of BRD** is 5493008QRHH0XCLJ4238.

LEI is a 20-character alphanumeric code, whose structure is based on ISO 17442 and it is a unique identifier for entities involved in financial transactions. Implementation and management of the global LEI database (Global LEI System) are provided by GLEIF - the Global Non-Profit Foundation of LEIs. **Obtaining a LEI code** is an operation carried out by the **requesting entity** or entities specifically empowered by it and must mainly follow the following steps:

- i. verifying the list of entities empowered to issue a **LEI code** and choosing one of them (it can be done on [www.gleif.org](http://www.gleif.org));
- ii. verifying, together with the entity selected for issuing the **LEI code**, the set of data belonging to the requesting entity, which must be transmitted in order to obtain the unique identifier (LEI) and its transmission;
- iii. payment of the **LEI code** issuance (issuing cost + annual cost of administration)

#### **Entities eligible to have a LEI code:**

Financial and non-financial counterparties (legal entities, structures including companies, trusts, charities, governmental and multinational organizations), central counterparties, brokers, reporting entities, beneficiaries, according to the legal provisions of the [European Regulation no. 648/2012](#) on OTC derivatives, central counterparties and central trades repositories (**EMIR**), applicable from 2014, together with all the regulations issued to supplement, modify and implement it.

Further information on the need to obtain the LEI code, as well as the way and conditions for obtaining the LEI code, can be found on the website of the Financial Supervisory Authority <https://www.asfromania.ro/en/a/80/cod-lei> or on the website [www.gleif.org](http://www.gleif.org).

**The absence of the LEI code leads to the impossibility of performing legal transactions with financial instruments.**

#### **16. Publication and Reporting of Transactions with Financial Instruments**

In order to ensure transparency, MiFID II defines the establishment of several publishing and reporting mechanisms: CTP (Consolidated Tape Providers), APA (Approved Publication Arrangement), Approved Reporting Mechanism (ARM).

In order to fulfill its obligations of publication and reporting to competent authorities, the Bank will provide these authorities through approved publishing and reporting mechanisms with information on Clients and their transactions with financial instruments.



**17. Direct Electronic Access (DEA)**

BRD offers access to financial investment services by using by Clients of the BRD online trading platform (hereinafter referred to as "Online Trading System").

If you wish to receive or continue to use access to the regulated market online trading system, you agree that, under MiFID II, we have an obligation to ensure that you comply the MiFID II rules and the rules of trading venues that you can access through the online trading system.

**18. Consent****18.1 Order Execution Policy**

BRD will provide the Client with information on its own order execution policy and will obtain the Client's prior consent to this by signing the Statement on the disclosure of the MiFID II Presentation Document and the Best Execution and Client Order Handling Policy for Retail and Professional Clients.

**18.2 Execution of orders outside a trading venue**

If the Client agrees to trade outside a regulated market (Regulated Market), multilateral trading facility (MTF) or an organized trading facility (OTF) (known as "MiFID Trading Venues"), BRD will obtain the prior formal consent of the Client to do so by signing the Statement on the disclosure of the MiFID II Presentation Document and the Best Execution and Client Order Handling Policy for Retail and Professional Clients.

**18.3 Disclaimer**

BRD has the obligation, in accordance with MiFID II rules (eg, the publication and reporting of transactions with financial instruments), to disclose information about the transactions concluded with the Client. If the Client has not otherwise notified BRD, the Client agrees to waive any confidentiality of information related to transactions made with the Bank that the Bank discloses reasonably in accordance with MiFID II.

**18.4 Recording Agreement**

The Client agrees to the records made by BRD according to Art. 8.3 as well as to the fact that the records of the telephone conversations, electronic correspondence and the conversations that take place face-to-face between the Bank and the Client constitute probative means and conclusive evidence of the contents of the instructions, conversations or messages so recorded, and may be used in any judicial, extrajudicial, administrative or arbitration proceedings.

**Note:**

This "MiFID II Presentation Document" prepared by BRD - Groupe Societe Generale S.A. has been sent to you with the scope of meeting the pre-contractual information obligation, of providing you with information when you use the services we provide in relation to one or more financial instruments. assumes no responsibility for operations performed outside the framework described in this information pack.

**The Statement on the disclosure of the MIFID II Presentation Document and the Best Execution and Client Order Handling Policy for Retail and Professional Clients are an integral part of the MIFID II Presentation Document.**