

Information on safeguarding financial instruments and client funds

The Bank complies with the principles set out in circular PPB-2007-7-CPB on the administration of its clients' financial instruments insofar as they apply to its own situation (services and products offered, characteristics of its clients):

Principle 1: It establishes an appropriate administrative organisation and internal control procedures for all financial instruments held by the institution (the Bank is able to distinguish, at any time, assets held by a particular client from those held by other clients and from the Bank's own assets.).

Principle 2: In the administration of financial instruments, the accounts in which the institution's financial instruments are held are kept strictly separate from those in which clients' financial instruments are held, including separate accounts at depositories.

Principle 3: The administration of the institution's client financial instruments includes the following elements: financial instrument data, client data and custodian data.

Principle 4: The financial instruments of the institution's clients are recorded in accounts maintained under the following accounting principles

- asset and liability type accounts;
- double-entry accounting based on the debit/credit principle;
- permanent balance between debit and credit;
- daily recording of all transactions, without delay;
- simultaneous recording of the financial instrument transaction and the related financial transaction.

Principle 5: Each transaction carried out by the institution in financial instruments for a non-professional client shall be confirmed by the institution to the client in a durable medium.

Principle 6: The institution shall provide the client regularly, but at least annually, with a detailed statement of the financial instruments held on his behalf. This statement shall be transmitted to the client in a durable medium.

Principle 7: The institution shall require its depositories of financial instruments to confirm immediately, in a manner agreed by them, any transaction they record.

Principle 8: The institution shall regularly, but at least monthly, request its depositories of financial instruments to provide a detailed statement of its positions, both those held for its own account and those of its clients, in a manner agreed by the institution.

Principle 9: The institution shall regularly verify that its accounts and data correspond to those of its custodians. of its depositories.

Principle 10: Where an institution wishes to deposit financial instruments that it holds on behalf of its clients in an account or accounts with a third party (custodian), it shall take into account, in the (custodian) of financial instruments that it holds on behalf of its clients, it shall take into account, in the choice of the third party, the third party's expertise and reputation in the market, as well as any legal requirements or market practices relating to the legal requirements or market practices relating to the holding of such financial instruments that may adversely affect the rights of clients.

Principle 11: All data required on the basis of the circular PPB-2007-7-CPB shall be kept for a minimum period of five years.

Principle 12: The institution's approved auditor shall report at least annually to the institution and to the NBB on:

- the adequacy of the measures to safeguard the rights of clients in the event of the institution's insolvency and to prevent a client's financial instruments from being used by the institution for its own account, unless the client has given its express consent of the clients ;
- the adequacy of measures to safeguard clients' rights in respect of funds held by the with respect to funds held by the investment firm and to prevent client funds from being used funds belonging to the client are used for own account by the investment firm investment firm ;
- the adequacy of the measures taken to implement the principles of this circular.

Principle 13: The institution shall transmit quarterly its balance of financial instruments held on behalf of its clients, according to the model determined by the NBB.

In addition, the Bank does not engage in securities financing transactions using the financial instruments of its customers, nor does it lend the financial instruments of its customers.

Except in the case of gross negligence on its part, the Bank shall not be liable for damages arising from the loss of all or part of its clients' financial instruments in the event of the negligence of the sub-custodian(s) selected by it or the occurrence of insolvency proceedings.