



BNP PARIBAS CIB MIFID II INVESTMENT SERVICES DISCLOSURES
FOR PROFESSIONAL CLIENTS AND ELIGIBLE COUNTERPARTIES

1. INTRODUCTION

- 1.1 The information provided here (the “**Disclosures**”) relates to the requirements of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (“**MIFID II**”) and Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012 (“**MIFIR**”) and in particular the provision of Investment Services relating to Financial Instruments (“**Investments**”).
- 1.2 Capitalised terms used but not otherwise defined in these Disclosures have the meaning given to them in MiFID II or MiFIR, as the case may be. Any existing reference to EU legislation or requirements should be read as a reference to the relevant EU legislation or requirement and/or its UK equivalent legislation or requirement, as appropriate, where applicable, and as the context requires. For example, any reference to MiFIR should be read, where appropriate, as a reference to MiFIR or MiFIR as incorporated into UK law and amended under the Markets in Financial Instruments (Amendment) (EU Exit) Regulations 2018 (as amended).

2. OUR COSTS AND CHARGES

We shall provide you in good time with appropriate information with regard to all costs and related charges in accordance with applicable law and regulation. We will apply a limited application of the detailed information requirements on costs and associated charges to the extent permitted by applicable law and regulation.

3. MONEY HELD BY US

In relation to any current or anticipated Investment Services, you are informed that BNP Paribas, as a French licensed credit institution, has the right to use client funds for its own account subject to its duty to return them, and that such right would apply to any money held for you by BNP Paribas. If BNP Paribas becomes insolvent, your claim will rank *pari passu* with those of other unsecured creditors of BNP Paribas, save to the extent of any amounts guaranteed by the French deposit guarantee and resolution fund (*fonds de garantie des dépôts et de résolution*) or other statutory guarantee scheme, where applicable.

4. NO ADVICE

Except where we expressly agree otherwise on a case-by-case basis in relation to any specific transaction, we shall not provide you with any Investment Advice in relation to any Financial Instrument or as regards your financial position generally.



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5. BNPP ACTING AS A SYSTEMATIC INTERNALISER

5.1 If acting in the capacity as a systematic internaliser in bonds, structured finance products, emission allowances or derivatives traded on a regulated market, multilateral trading facility or organised trading facility, we will make public firm quotes in accordance with Article 18(1) MiFIR and, where we give you access to these quotes, we may limit: (i) the number of transactions that we undertake to enter into with you at the published quote; and (ii) the total number of transactions that we undertake to enter into with other clients at the published quote. Where we grant access to quotes provided by us if acting in the capacity as a systematic internaliser, and the quoted size is at or below the size specific to the financial instrument, we may enter into a Transaction with any other client to whom the quote is made available, in accordance with Article 18(5) MiFIR.

5.2 If acting in the capacity as a systematic internaliser and dealing in sizes up to the standard size in shares, depositary receipts, ETFs, certificates or other similar financial instruments traded on a regulated market, multilateral trading facility or organised trading facility we will make public firm quotes in accordance with Articles 14(1) and 15(1) MiFIR and, where we give you access to these quotes:

- (a) except as otherwise permitted by applicable law and regulation and subject to paragraph (b) below, we will execute the orders we receive from you at the quoted prices at the time of reception of the order; and
- (b) that we may limit: (i) the number of transactions that we undertake to enter into with you at the published quote; and (ii) the total number of transactions that we undertake to enter into with other clients at the published quote.

Where we grant access to such quotes provided by us if acting in the capacity as a systematic internaliser, we may enter into a transaction with any other client to whom the quote is made available, in accordance with Article 15 MiFIR.

6. MEETING BNPP'S REQUIREMENTS UNDER APPLICABLE LAW AND REGULATION

In order for us to fulfil any requirements to which we may be subject under applicable law and regulation in relation to any transaction or Investment Service in Investments provided, including (but not limited to) any reporting requirements (such as requirements to report complete and accurate details of executed transactions to the Competent Authority including through an Approved Reporting Mechanism) we may be required to: (i) make public firm quotes in respect of Financial Instruments; (ii) make public post trade the volume and price of transactions and the time at which they were concluded (such information shall be made public through an Approved Publication Arrangement); (iii) monitor position limits and apply position management controls in commodity derivatives; (iv) make public reports with the aggregate positions held by categories of position holders in commodity derivatives; (v) monitor for and prevent market abuse; and (vi) where required to do so by applicable law and regulation, to conclude a transaction only on a



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regulated market, multilateral trading facility, organised trading facility or a third country trading venue assessed as equivalent.

7. CONFLICTS OF INTEREST

Your attention is drawn to the fact that when we provide Investment Services, we, a BNP Paribas Group Entity (meaning any entity of the BNP Paribas group including BNP Paribas and its subsidiary undertakings and joint ventures from time to time) or some other person connected with us (collectively "**Connected Persons**") may have an interest, relationship or arrangement that is material in relation to the Investment, transaction or service concerned. We have procedures to identify, manage and/or prevent conflicts of interest. There will be scenarios and occasions where we may not be able to act on a transaction and/or in relation to an Investment Service. Notwithstanding the foregoing, we or any of our Connected Persons may, subject to applicable law and regulation:

- (a) act in any capacity for any other person, buy, sell, hold or deal (or arrange any dealing) in any Investment or any other asset for our own account or the account of any other person notwithstanding that the same Investment or asset, a related investment or asset or a related investment or asset for an asset underlying that investment or asset may be comprised in your account(s) or subject to an Instruction in respect of your account(s);
- (b) sell to you securities held by us on our own account (including on an organised, frequent and systematic and substantial basis as a systematic internaliser) or by our Connected Persons;
- (c) purchase for our own or our Connected Persons' account securities, Investments and other products forming part of your account(s);
- (d) match your Order with ours and/or with orders of any of our Connected Persons by acting on our or their behalf as well as on your behalf;
- (e) deal in securities where we or our Connected Persons may be involved in a new issue, rights issue, take-over or other transaction;
- (f) publish a research recommendation, including, without limitation, an investment recommendation (as defined in Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC) to our clients (including you) knowing that we or a Connected Person may have acted upon it or made use of information on which it is based;
- (g) act as the financial adviser or a lending bank or otherwise as a contractual counterparty to the company whose securities you are buying or selling; and



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- (h) take account of any information relating to a proposed transaction, Investment or service concerned, in managing our market making positions or otherwise limiting the risks to which we are exposed in the course of our market making activities and we will likely seek to manage the risk associated with the particular trade by engaging in hedging activity in the subject security, securities underlying or referencing the subject security, or other related instruments. In particular, where that information relates to a proposed transaction, Investment or service concerned for which you have asked us to quote terms, and in which we would commit our capital, we may also, unless we specifically agree otherwise with you in a particular case, make use of that information to enter into transactions with a view to executing or facilitating the execution of the proposed transaction, Investment or service concerned on terms that are competitive in the prevailing market conditions. Such transactions could be at a different price from, and we may make a profit or loss on such transaction relative to, the price at which we execute your transaction, Investment or service. The effect of these and other trading activities of ours described in this paragraph (h) may be to increase the market price of investments you are buying or decrease the market price of investments you are selling. However, we will generally engage in such activities in a manner designed to limit market impact to the extent reasonably practicable. Such activity will only be carried out in accordance with applicable law and regulation.

8. COMPLAINTS

In the event that you are dissatisfied with the service which you receive you should in the first instance discuss this with your usual service provider or relationship manager, as relevant. If you are not satisfied with the way your complaint is dealt with by your contact or wish to escalate any particular issue immediately you should send an email to CIB.CLIENT.COMPLAINTS@bnpparibas.com. Further details of the complaint-handling process, including information about our complaints management policy and the contact details of our complaints management function are available on our website, <http://cib.bnpparibas.com/MIFID>.

9. PUBLICATION OF INFORMATION REGARDING TRANSACTIONS

Where we execute a transaction with you where such transaction is subject to publication in accordance with applicable law and regulation, we shall arrange to make public the information regarding that transaction in accordance with applicable law and regulation, unless you are the seller and you inform us in writing that you will make the relevant transaction information public and this is permitted by applicable law and regulation.

10. INDUCEMENTS

We may receive from and pay to third parties (including Connected Persons) fees, commissions or other benefits ("**Benefits**") and may share Benefits in respect of the services provided to you with third parties (including Connected Persons), subject to applicable law and regulation. The amount or basis of any Benefit received by us from such a third party or paid by us to such a third party in connection with a Transaction with or for you, and the amount or basis of any charges



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shared with a third party (other than our employees), will be aggregated with our own commissions, fees and charges, and disclosed to you in accordance with applicable law and regulation. However, such disclosure may be in summary form with further details available upon request, to the extent permitted by applicable law and regulation. Subject to the foregoing, neither we nor any Connected Person shall be liable to account to you for, or to disclose to you, any profit, charges or other remuneration made or received by us or any Connected Person from, or by reason of, any Transaction entered into with you or on your behalf. Neither the relationship between us, nor the services to be provided by us, nor any recommendation or advice tendered to you, nor any other matter, will give rise to any fiduciary or equitable duties on our part which would oblige us or any Connected Person to accept responsibilities more extensive than expressly agreed in writing between us or which would prevent or hinder us or any Connected Person in carrying out any of the activities specified above or which will require us to account to you for any profit, except as required by applicable law and regulation.

11. INVESTOR COMPENSATION SCHEMES

In the event that we are unable to meet any of our liabilities to you, you may be eligible for compensation for your loss from one or more compensation schemes, the details of which are available upon request.

12. NOTICES, INSTRUCTIONS & COMMUNICATIONS

Telephone communications or conversations between us and you that result or may result in transactions will be recorded.



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JURISDICTION-SPECIFIC DISCLOSURES

UNITED KINGDOM

In addition to paragraph 3 above:

- a) the Bank holds your cash as banker and not as a trustee under the client money rules set out in the UK Financial Conduct Authority's Handbook (the Client Money Rules). If BNP Paribas fails, the client money distribution rules set out in the UK Financial Conduct Authority's Handbook (the **Client Money Distribution Rules**) will not apply to such cash and you will not be entitled to share in any distribution under the Client Money Distribution Rules;
- b) the Bank is a French domiciled entity and in the event of the Bank's insolvency, its failure would be administered under French law. English law could apply with respect to the assets of BNP Paribas London branch. In the event that BNP Paribas London branch is subject to the jurisdiction of the English courts, it is possible that assets that we hold in safe custody in the London branch could be treated differently from assets belonging to other customers of other branches of BNP Paribas; and
- c) the deposit and investment protection provided by the French deposit guarantee and resolution fund (fonds de garantie des dépôts et de résolution) will not apply to your assets and/or deposits held in BNP Paribas London branch. Instead, the depositor and investor protections of the UK Financial Services Compensation Scheme will apply, where relevant.

In addition to paragraph 11 above, BNP Paribas London branch is covered by the UK Financial Services Compensation Scheme. If you are an eligible claimant, you may be entitled to compensation from the scheme if we cannot meet our obligations. This depends upon the type of business and the circumstances of the claim. Claims under the UK Financial Services Compensation Scheme are subject to maximum limits on compensation. The limit for investment business is £85,000 per person per authorised firm, and the limit for deposit taking is £85,000 per depositor per authorised firm. In addition, certain deposits, known as temporary high balances, may qualify for compensation in excess of £85,000. Further information about the UK Financial Services Compensation Scheme (including information as to who is an eligible claimant) is available from us on request and is also available from the UK Financial Services Compensation Scheme website (see www.fscs.org.uk).