

INFORMATION ON DEPOSITS

The purpose of this section is to provide you, in accordance with the Directive, with certain information concerning the deposit of assets and the protection of our clients' assets.

Degroof Petercam Asset Management S.A. (hereinafter "DPAM") entrusts the administration of the custody of the clients' assets under mandate to another financial institutions or to its parent company, Bank Degroof Petercam S.A. (hereinafter "the Bank").

A description of the measures taken by the Bank regarding the assets protection is resumed below.

Safeguarding of financial instruments

For the purposes of safeguarding clients' rights in relation to financial instruments and funds belonging to them, the Bank takes the necessary measures to enable it at any time and without delay to distinguish assets held for one client from assets held for any other client and from their own assets. In this context, the Bank complies in particular with the current assets segregation requirements between client financial instruments and funds belonging to the Bank.

The Bank takes the necessary steps to ensure that any client financial instruments deposited with a third party is segregated from the financial instruments belonging to the Bank and from financial instruments belonging to that third party.

The Bank acts with due skill, care and diligence (i) with regard to the selection, appointment and periodic review of these third-party intermediaries holding its clients' financial instruments in custody and (ii) with regard to both legal and contractual provisions governing the holding and safekeeping of such financial instruments.

The Bank does not deposit financial instruments held on behalf of clients with a third party which is not subject to the law of (i) an European Union Member State or (ii) a third country that does not regulate the holding and safekeeping of financial instruments for the account of another person, unless the nature of the financial instruments or of the investment services connected with those instruments requires them to be deposited with a third party in that third country.

In addition, in exceptional cases, the financial instruments of clients may be deposited in a global account with a third-party intermediary without segregation being made in the books of this intermediary.

Except in the event of fraud or gross negligence on its part, the Bank cannot be held liable for damages arising from the loss of all or part of the financial instruments deposited in the case of fault on the part of the third-party intermediary it has selected or the declaration of insolvency proceedings against it.

Deposit and financial instrument protection fund

As a financial institution, the Bank participates in the Belgian deposit and financial instrument guarantee scheme, as organised by the Act of 17 December 1998.

This protection scheme contains a guarantee of refund of cash deposit in the event of default of a financial institution. This guarantee, which is offered in particular to individual customer, was increased in 2008 from EUR 20,000 to EUR 100,000 per person.

The protection scheme also covers any possible non-recovery of securities deposited on account with a financial institution in the event of its default. The level of this cover has been kept at EUR 20,000 per person, as there are other protective measures for securities, notably Royal Decree No 62 of 10 November 1967, which offers clients a direct compensation claim. In this way, under normal circumstances, these securities will not be included in the collective assets in the event of bankruptcy.

The terms and conditions of these guarantees are defined by the Rules of Intervention of the Protection Fund, which are obtainable on written request from the Bank and which can be consulted on the website www.protectionfund.be.

This site provides further information on the Belgian protection scheme and provides a list of the financial institutions belonging to this protection scheme.
