

CONFLICTS OF INTEREST POLICY

1. INTRODUCTION

In accordance with the law in force, Cardif Lux Vie, member of the BNP Paribas Group, is required to implement effective administrative and organisational measures to identify, control and deal with conflicts of interest.

Cardif Lux Vie has therefore prepared a policy to protect its customers' interests, a summary of which follows.

For further information, please contact the Cardif Lux Vie Compliance department at the following address:

23-25 Avenue de la Porte-Neuve,
B.P. 691, L-2016 Luxembourg.

2. OUR CONFLICTS OF INTEREST MANAGEMENT POLICY

The BNP Paribas Group is present in many countries and offers customers a wide range of banking and investment products and services. Like any financial services group, BNP Paribas is potentially exposed to conflicts of interest resulting from its diverse activities. Protecting our customers' interests is a top priority, so our conflicts of interest policy is designed to:

- identify any situations that could give rise to a conflict of interest that might in turn create a material risk of damage to our customers' interests;
- establish appropriate systems and mechanisms to manage these conflicts;
- ensure that these systems and mechanisms are maintained to prevent any damage to our customers' interests from the conflicts we have identified.

3. CONFLICTS OF INTEREST

IT IS IMPOSSIBLE TO PREVENT ALL CONFLICT OF INTEREST SITUATIONS. OUR POLICY APPLIES TO THE FOLLOWING CONFLICTS OF INTEREST:

- conflicts of interest between Cardif Lux Vie and its customers, for example, when we supply a service while having a material interest or some involvement in the transaction, product or service. The decisive criterion is whether Cardif Lux Vie can make a profit or avoid a loss at the expense of its customers;
- conflicts of interest between several customers, if the interests of the different parties are materially opposed.

WE HAVE IDENTIFIED POTENTIAL CONFLICTS OF INTEREST ACROSS ALL OUR BUSINESS AREAS. THEY MAY INCLUDE THE FOLLOWING:

- Situations in which a partner holding a privileged position is on the Cardif Lux Vie Board of Directors (an external director holding a leading position with a Cardif Lux Vie partner);
- Situations in which there is a significant capital link between Cardif Lux Vie and one of its partners;
- Lack of equity with regard to responsibility for an accident (acceptance or refusal);

- Positioning of the medical officer and independence of the medical expert;
- Cardif Lux Vie holding confidential information about other customers that, if divulged or used inappropriately, would have an impact on the services that we provide to them;
- Accepting gifts or inducements that could be considered as contrary to our obligations towards our customers;
- Cardif Lux Vie employees engaging in external activities or maintaining personal relations that could potentially harm our customers' interests;
- Personal relations between Cardif Lux Vie employees and customers that may be the source of a conflict of interest.

4. MEASURES TAKEN

The following is a brief summary of the measures adopted to prevent and deal with conflicts of interest. Cardif Lux Vie considers these measures to be an appropriate response to its obligation, for each identified potential conflict of interest, to take all necessary measures to prevent any damage or material risk that could impinge on the interests of its customers.

A. POLICIES AND PROCEDURES

In all its entities and activities, Cardif Lux Vie has established policies and procedures designed to prevent and manage potential conflicts of interest. Employees receive special training in these policies and procedures, which are continually being checked and updated.

B. CONFIDENTIALITY OF INFORMATION

Employees must strictly observe the confidentiality of customer information, and may not share this information or use it inappropriately. In addition, and in certain especially sensitive cases, Cardif Lux Vie has set up information barriers and procedures to prevent any unauthorised exchange of information between employees. Cardif Lux Vie has also taken steps to separate employees holding this information.

C. SEPARATE OVERSIGHT

Two departments or entities that, if managed jointly, could face conflicts of interest, will be managed by different managers.

D. REMUNERATION

Remuneration and bonuses are linked to the profits of Cardif Lux Vie or the employee's entity. Remuneration and bonuses may not be linked to the performances of another entity with which conflicts of interest are possible.

E. INDUCEMENTS

Commissions, remuneration and non-monetary benefits offered to or received by third parties in connection with a service provided to customers shall be acceptable only if

- (1) the customer is informed of such commissions, remuneration and non-monetary benefits and
- (2) the inducement being paid is a normal commission or remuneration aimed at improving the quality of service offered and does not prevent Cardif Lux Vie from continuing to act in the interests of its customers.

F. PERSONAL TRANSACTIONS

To prevent conflicts of interest resulting from the use of information obtained from customers and market abuse in general, all employees are subject to the rules of the policy on reporting personal transactions.

G. EXTERNAL ACTIVITIES OF EMPLOYEES

Employees are required to comply with the policies and procedures put in place to prevent conflicts of interest with any positions or activities outside Cardif Lux Vie.

H. GIFTS

Cardif Lux Vie employees may not accept gifts other than those that are considered normal in their area of activity. Excessive gifts from customers/partners may create a conflict of interest, which Cardif Lux Vie is committed to avoiding.

I. DISCLOSURE OBLIGATION

If it is not possible to manage a conflict satisfactorily or when the measures taken do not sufficiently protect customer interests, the conflict of interest will be disclosed so that the customer may take an informed decision about whether to continue to use Cardif Lux Vie services in this specific situation.

J. OPTION OF DECLINING A SERVICE REQUEST

If Cardif Lux Vie considers that a conflict of interest cannot be resolved, it may decline the request of a customer and refuse to act on behalf of that customer in order to protect its interests.