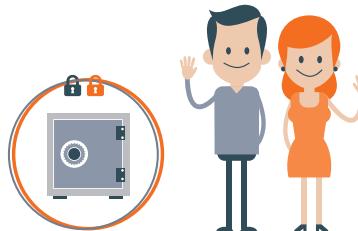


# PROTECTING YOUR MONEY IN THE EVENT YOUR BANK OR FINANCIAL INSTITUTION FAILS



The Fonds de Garantie des Dépôts et de Résolution (FGDR), established by the Act of 25 June 1999, is a private-law institution with a public service mission: to protect and compensate customers in the event that their bank or financial institution fails and their assets are no longer accessible, i.e. when the institution concerned is no longer able to return or refund these assets.

The FGDR manages 4 mechanisms:

- › **the deposit guarantee scheme** covers deposits, i.e. amounts deposited in current accounts and savings accounts;
- › **the investor compensation scheme** covers an investor's financial instruments and related deposits (bank or investment services provider);
- › **the guarantee of management companies' services** covers eligible financial instruments and cash that a portfolio management company is unable to return to an investor;
- › **the performance bonds guarantee scheme** covers regulated performance bonds issued in favour of certain professions (real estate developers, etc.).

By protecting customers' assets, the FGDR helps **to maintain the trust and contributes to the French banking and financial system's stability**.

All member institutions participating in one or more of the FGDR guarantee schemes are authorized by their authority (ACPR, AMF) and are required to contribute to the FGDR.

**The FGDR may intervene through compensation, preventative intervention or banking crisis resolution.**

The FGDR also protects **customers of the branches of its member institutions present in a country that is a member of the European Economic Area<sup>(1)</sup>**.

**The FGDR cooperates with its European counterparts to protect the customers of institutions having their registered offices in an EEA country and with branches in France.**

(1) European Economic Area (EEA): Germany, Austria, Belgium, Bulgaria, Cyprus, Croatia, Denmark, Spain, Estonia, Finland, France, Greece, Hungary, Ireland, Iceland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Norway, Netherlands, Poland, Portugal, Czech Republic, Romania, Slovakia, Slovenia, Sweden.

**Do you have any questions about your guarantees?  
Contact your bank, investment firm, finance company,  
portfolio management company or the FGDR.**

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FONDS DE GARANTIE  
DES DÉPÔTS ET  
DE RÉSOLUTION

French deposit insurance  
and resolution fund

# 1/ SCOPE OF THE DEPOSIT GUARANTEE SCHEME

## PROTECTED PERSONS

The FGDR deposit guarantee scheme protects private depositors, adults or minors, under guardianship or represented by a third party, as well as companies (limited companies (SA), limited liability companies (SARL), one-person limited liability companies (EURL), limited liability individual business owners (EIRL) etc.), associations and other professional groups.

## PRODUCTS COVERED BY THE DEPOSIT GUARANTEE SCHEME

<p><b>Amounts deposited in accounts, savings accounts and savings schemes denominated in euros or in a government currency:</b></p> <ul style="list-style-type: none"><li>› current accounts, demand deposit accounts or term accounts having a credit balance;</li><li>› home savings accounts and savings plans (CEL, PEL, PEP, etc.);</li><li>› Livret Jeune savings account;</li><li>› cash accounts associated with an equity savings scheme (PEA);</li><li>› cash account linked to a pension savings scheme (PER), to an employee savings scheme, or equivalent opened at a banking institution that is a member of the FGDR;</li><li>› bank cheque issued and not cashed;</li><li>› total net balance of factoring transactions.</li></ul>	<p><b>FGDR DEPOSIT GUARANTEE SCHEME</b> <b>Up to €100,000</b> per customer and per institution, not including temporary high balances, mentioned on the next page.</p>
<p><b>All amounts deposited in savings accounts guaranteed by the French State are covered:</b></p> <ul style="list-style-type: none"><li>› Livret type "A" savings accounts (and Livret type "Bleu" savings accounts);</li><li>› Livret type "LDDS" savings accounts;</li><li>› and livret type "LEP" savings accounts.</li></ul>	<p><b>FRENCH STATE GUARANTEE, OPERATED BY THE FGDR</b> <b>Up to €100,000</b> per customer and per institution. The FGDR compensates customers at the request and on behalf of the French government.</p>

## PRODUCTS NOT COVERED BY THE DEPOSIT GUARANTEE SCHEME

<p><b>Products not covered by the FGDR include:</b></p> <ul style="list-style-type: none"><li>› life insurance policies, capitalisation policies taken out with an insurance company;</li><li>› pension savings schemes (PER, PERP, PEP) taken out with an insurance company;</li><li>› collective pension savings schemes (PERCO), intercompany collective pension savings schemes (PERCO-I), company pension savings schemes (PERE);</li><li>› company savings schemes (PEE), intercompany savings schemes (PEI);</li><li>› notes, coins and items entrusted to your bank's safety deposit department;</li><li>› anonymous deposits or instruments with a holder who cannot be identified;</li><li>› electronic-based cash and payment cards issued by a payment institution or an electronic money institution;</li><li>› deposit of equity (partnership shares);</li><li>› savings certificates;</li><li>› crypto assets.</li></ul>	<p><b>GUARANTEED BY ANOTHER SYSTEM OR WITHOUT A GUARANTEE</b> To ask your institution for more information.</p>
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## 2/ COMPENSATION UNDER THE DEPOSIT GUARANTEE SCHEME

Compensation is paid within **7 working days** from the date deposits are no longer available except in special or complex cases requiring additional processing.

### You have several accounts at the same bank:

- › All deposits are added together and reimbursed up to a maximum of €100,000.
- › All amounts deposited in savings accounts guaranteed by the French State (Livret A, LDDS, LEP) are also added up and compensated up to a maximum of €100,000.
- › Only credit balances are used to calculate compensation, except for statutory or contractual set-off.

**You have accounts with several banks that are members of the FGDR.** The deposit guarantee scheme applies separately to each bank.

**A joint account is shared equally among the co-holders unless otherwise specified in the account agreement.** For each co-holder, the amount of their portion of the joint account is added to their other deposit accounts and savings accounts.

**You are a individual business owner (EI or EURL).** Your professional assets are compensated separately from your personal accounts.

**You are a member of an undivided co-ownership.** The undivided co-ownership receives compensation separate from that of its members.

**You have “temporary high balances”, i.e. amounts received less than three months prior to the bank’s failure which come from:**

- 1/ the sale of residential property belonging to you;
- 2/ a lump-sum payment of compensation for harm sustained by you;
- 3/ a lump-sum payment of a retirement benefit, an estate, a bequest or a donation;
- 4/ a compensatory benefit, a settlement or contractual indemnity following the termination of an employment contract.

The €100,000 coverage level is increased by an additional €500,000 for each of the above events, except for bodily injury for which there is no coverage limit.

**You must submit your claim to the FGDR in writing with supporting documents no later than two months** from the date of receipt of your latest compensation letter.



## COMPENSATION PROCEDURE FOR THE DEPOSIT GUARANTEE SCHEME

### 1<sup>st</sup> step



#### Initiated at the request of the Prudential Supervision and Resolution Authority (ACPR)

On the date the deposits become unavailable, the institution is declared as having failed and customers of this institution no longer have access to their accounts.

**They are then informed by the FGDR that the compensation process is about to start. Customers of the failed institution must ensure that they have an account open with another bank into which the compensation will be paid.**

### 2<sup>nd</sup> step



#### Opening of a “Secure Compensation Area” dedicated to customers

Each customer must indicate their choice regarding the payment method to be used for the compensation: bank transfer or cheque with acknowledgement of receipt.

### 3<sup>rd</sup> step



#### Payment of compensation

The FGDR makes compensation available to customers within a maximum period of **7 working days from the unavailability date, except in special cases, complex cases or temporary high balances.**

## 3/ INVESTOR COMPENSATION SCHEME

**The investor compensation scheme protects investors:** individuals, whether minors or adults, companies, business owners, associations, or other professional groups, for all their securities and financial instruments held regardless of the currency:

- › shares, bonds, etc. held directly or through a PEA savings plan in shares;
- › units or shares of investment funds (open-end investment companies (SICAV), mutual fund (FCP), savings plan, etc.);
- › certificates of deposit, negotiable debt securities (NDS).

Investor compensation applies in an amount up to **€70,000€** per customer and per institution.

**Deposits linked to the securities account are compensated:**

- › up to **€70,000** if the cash account associated with the securities account is held by an investment firm;
- › they are included in the amounts covered by the deposit guarantee scheme up to **€100,000** if the securities account is held by a bank.

## COMPENSATION PROCEDURE FOR THE INVESTOR COMPENSATION SCHEME

### 1<sup>st</sup> step



**The investor compensation scheme is initiated** when the ACPR determines that the account-holding institution is unable to return the securities and linked deposits. Customers are informed by the FGDR when the compensation procedure is initiated.

### 2<sup>nd</sup> step

1 +  
2 months

Compensation is paid by the FGDR within **2 months following the date on which the FGDR established the eligibility and amount of the claim**, except in special cases. Financial instruments are valued at their actual cash value in euros on the unavailability date.

## 4/ THE GUARANTEE OF MANAGEMENT COMPANIES' SERVICES

The guarantee of management companies' services covers **financial instruments such as units or shares in undertakings for collective investment and eligible cash**, held in the context of shareholder register services performed on behalf of their customers, or in contravention of the law held by the portfolio management company. This guarantee covers each customer up to a total of **€20,000** in securities and cash.

This guarantee is initiated at the request of the Autorité des Marchés Financiers (AMF) when it determines that an institution is no longer able to return or repay the financial instruments and associated cash. Compensation is provided by the FGDR **within 3 months** following the date on which the failing is determined by the AMF.

## 5/ THE GUARANTEE OF PERFORMANCE BONDS SCHEME

The performance bonds guarantee scheme covers **regulated performance bonds** that must have been issued by a bank or financial institution to certain regulated professions (real estate agents, travel agents, property developers, etc.) to guarantee the proper completion of their customers' projects. If the bank or financial institution fails, **the FGDR** honours the performance bond until the project is completed.

Therefore, if the professional defaults vis-à-vis its customers, the FGDR intervenes to provide compensation. Compensation is limited to **90% of the loss sustained by the customer, with an excess of €3,000**.