



BNP Paribas, Canada Branch and some of its Canadian affiliates namely: Corporation BNP Paribas Canada, BNP Paribas (Canada) Securities Inc. and BNP Paribas IT Solutions Canada Inc. (collectively hereafter « the Bank ») have established this Code of Conduct for maintaining healthy and effective relationships with small and medium-sized businesses¹.

However, this Code in no manner limits the legal rights of the business or of the Bank.

This Code is available at all branches of the Bank, to all small or medium-sized businesses seeking to establish a business relationship with the Bank. It is also available with the Financial Consumer Agency of Canada.

This Code does not apply to BNP Paribas Leasing Solutions Canada Inc.

CLEAR COMMUNICATION

The Bank promotes honest and open communication with its clients. To this end, the Bank's documents, including forms and contracts, are written in clear and understandable language.

This Code also serves to establish open communication in the customer-bank relationship, by specifying the responsibilities and expectations of both the Bank and the client.

STARTING A RELATIONSHIP

For every business which seeks to deal with the Bank, a Relationship Manager is assigned by name. The Relationship Manager responds to the request for service and oversees the relationship if the business becomes a client of the Bank.

Opening an account

To open an account, a client must provide information and fill out and sign the necessary Bank forms, depending on the nature of the business relationship to be established between the Bank and the client. The Relationship Manager assists the client by providing him/her with all information deemed necessary, and helping him/her fill out and sign the required documentation.

When an account is opened, the client is provided with the brochure « Complaint handling procedure and mandatory notices and disclosures », which includes the customer complaint resolution procedure. The purpose of this brochure is to help establish clear communication from the outset, between the Bank and its client.

¹ For purposes of opening a deposit account, a small or medium-sized business is one with revenues less than CAD 300 million.
For purposes of granting credit, a small-sized business is one granted a credit limit by the Bank as first banker, up to CAD 500,000;
a medium-sized business is one granted a credit limit by the Bank as first banker, up to CAD 1,000,000.

CREDIT PROCESS

Any credit application by a business must go through a review and authorization process.

To help establish open communication, the business's credit application is analyzed on the basis of documents requested by the Bank and provided by the business, and of any other diligent verification carried out by the Bank.

The Relationship Manager informs the business of the credit application process, and of the information and documentation which must be provided, including a business plan; the Bank may then consider the credit application and any collateral which may be required to secure the credit before it is granted. The business plan is essential to determine the strategic orientation of any business, as well as, among other things, its financial needs. Information and a **guide for the preparation of a business plan** are accessible on the Internet website of Industry Canada at www.ic.gc.ca.

The Relationship Manager provides the business with an estimate of how long it should take to process the credit application and receive a decision from the Bank.

The Relationship Manager analyzes the credit application and, if it is to his satisfaction, forwards it for authorization to relevant decision-makers, in accordance with the Bank's credit authorization process.

Each credit application is judged on its own merits.

Approval of the credit application

If the credit application is approved, the Relationship Manager informs the business of the terms and conditions of the credit, including any collateral which must be provided to secure the credit.

A credit agreement is then prepared which reflects the credit authorization and its terms and conditions, and specifies the information and documents which must be provided both before and after the credit is granted.

If Credit is declined

If the credit application is declined, the Relationship Manager informs the business of the decision and of the main reason(s) for the decision, as well as of any requirements necessary for the Bank to reconsider the credit application. The Relationship Manager also provides the business with information the Bank may have, on alternative sources of financing which may be available to the business, depending on the nature of the credit application.

Changing circumstances in the Credit relationship

The credit agreement between the Bank and the client specifies that the Bank reserves the right to review terms and conditions of the credit, should the financial situation or business of the client evolve unfavorably. Under such circumstances, the Bank may deem it necessary to obtain additional information, which the Bank will give the client reasonable opportunity to provide.

The Bank examines such circumstances carefully before making any changes and ending its business relationship with the client, in which case the Bank usually gives the client at least 15-calendar days' notice before taking any intended action. This delay may be shorter if circumstances so warrant. In cases involving fraud or other offences, the Bank may act immediately.

Furthermore, the policy of the Bank is to agree to any changes with the client, in particular when changes are made to conditions, fees and other terms of the credit, which changes affect the bank-client credit relationship.

RESPONSIBILITY

Every Relationship Manager must ensure, within the scope of his/her duties, that principles set out in this Code are applied.

Compliance is also responsible for ensuring that this Code is applied and followed by all Bank employees.

This Code of Conduct is provided to the Financial Consumer Agency of Canada, which is responsible for monitoring the application of voluntary codes of conduct by financial institutions.

COMPLAINT HANDLING

The Bank has established a customer complaint resolution procedure. All clients are informed of this procedure in the brochure « Complaint handling procedure and mandatory notices and disclosures ».

This procedure provides clients with the information they need to use the complaint resolution mechanism, for any general complaint or if they believe the Bank has not met the standard of conduct outlined in this Code.

The objective of the Bank is to acknowledge any complaint as quickly as possible and inform the client of approximately how long it will take to answer the complaint. The Bank informs the client of the decision taken regarding the complaint and of any reason(s) for the Bank's decision if the complaint is not resolved to the satisfaction of the client.

If the client remains dissatisfied, he/she may take the complaint to the Ombudsman for Banking Services and Investments.

The client may also communicate with:

Financial Consumer Agency of Canada

427 Laurier Avenue West, 6th floor

Ottawa, Ontario

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Telephone (toll free): 1 866 461-2232

Fax: 1 866 814-2224

E-mail: www.fcac-acfc.gc.ca

It is important to the Bank that its business relationship with any small or medium-sized business be privileged and mutually agreeable.
