



Cantor Fitzgerald Ireland Ltd ("Cantor")

## Approved Retirement Fund (ARF)/Approved Minimum Retirement Fund (AMRF) Discretionary Account Opening Document

\*Cantor QFM Services\*

### HOW TO PROCEED

#### ACCOUNT SET UP CHECKLIST:

- I have completed the attached application form in full and have signed and dated.
  - I have attached a certified\* copy of ID (Passport/ Drivers Licence).
  - I have attached two certified bills or two originals of the bills listed below, issued in the last 6 months and with the same address as noted on the application.
    - Gas, electricity, phone or motor insurance certificate/home insurance certificate/tax certificate
    - Bank statement from any bank
    - Social insurance document or Revenue Commissioners document
  - I have attached certified copy proof of PPS number:
    - P60 , P45 or P21 Balancing Statement
    - Drug Payment Scheme Card or European Health Insurance Card
    - Revenue Commissioners Document with address and PPS number
  - I have enclosed proof of guaranteed pension income or detail of my AMRF, where applicable:
    - Copy of guaranteed pension (evidence of payments such as a copy of the payment advice and/or a current statement from your annuity provider).
- OR
- Copy of the AMRF application form or up-to-date statement from your AMRF provider.

\*Certified means, a photocopy that must be signed and stamped by a solicitor, notary public, chartered accountant, commissioner of oaths, consular, embassy official, an official from a regulated financial institution or Cantor staff, clearly stating that the photocopy is a true copy of the original.

#### Payment Details

Please use the Ulster Bank details below for any Electronic Fund Transfers to your account in Cantor Fitzgerald Ireland Ltd. Please do not transfer funds until your Cantor Fitzgerald Ireland Ltd. account is open as you will need an account number as a reference.

#### Euro Bank Details

**Bank Name:** Ulster Bank

**Account Name:** Pershing Securities International Limited Client Asset Account - Hub Account

**Sort Code:** 98-50-10

**Account No:** 31911845

**SWIFT Code:** ULSBIE2D

**IBAN:** IE72ULSB98501031911845

**Reference:** Client Name & A/c Number. (All transfers must include client name and Cantor A/c number as a reference).

#### Post/Delivery

Return the completed application and identification to:

DUBLIN: Cantor Fitzgerald Ireland Ltd, 75 St Stephen's Green, Dublin 2

LIMERICK: Cantor Fitzgerald Ireland Ltd, Theatre Court, Lower Mallow Street, Limerick

CORK: Cantor Fitzgerald Ireland Ltd, 45 South Mall, Cork

#### Queries/Advice

Call your Cantor Fitzgerald Account Manager:

DUBLIN: +353 1 633 3633. CORK: +353 21 422 2122. LIMERICK: +353 61 436 500

Email Queries to Client Services at [ireland@cantor.com](mailto:ireland@cantor.com)

[www.cantorfitzgerald.ie](http://www.cantorfitzgerald.ie)

# Discretionary Account Opening Document

## ARF/AMRF Application Form



### FOR OFFICE USE ONLY

Cantor Broker Owner

Face to Face Meeting: Yes  No

Client Account Number

Reviewed by Pension Team: Yes  No

### 1. Beneficial Owner Details (PLEASE USE BLOCK CAPITALS)

Title Mr  Mrs  Ms  Miss  Other

Civil Status Married  Single  Separated

Surname

Divorced  Widow(er)  Civil Partnership

Forename(s)

#### Spouse's/Civil Partner's Details

(if relevant)

PPS Number

Surname

Date of Birth

Forename(s)

Country of Residence

Date of Birth

Nationality

If your nationality is British please enter your NI number:

### 2. Contact Details (PLEASE USE BLOCK CAPITALS)

Home Address

Home No.

Mobile No.

Email

Office No.

Cantor may use this email address for account correspondence.

### 3. Investment Type: ARF and AMRF Details

1. Which Fund do you want to invest in:  AMRF  ARF  Both (Please tick one)

Investment to your AMRF €  and/or to your ARF €

2. Please confirm the source of your investment by selecting from the following options:

(If the transfer is coming from more than one source, please provide the following information for each source)

Personal Pension Plan  PRSA  Company Pension Scheme  Retirement Bond  AMRF  ARF

3. Name of the existing Insurance company or pension provider from which the benefits are being transferred

4. Pension Plan Number or Reference for which benefits are being transferred

5. Are your benefits subject to a Pension/Property Adjustment Order? Yes\*  No

\*If your benefits are subject to a Pension/ Property Adjustment Order please provide a copy of the order.

# Discretionary Account Opening Document

ARF/AMRF Application Form



## 4. AMRF and Guaranteed Income Details

In order to invest in an ARF, you must answer YES to at least one of the following five questions:

1. Are you aged 75 or over? Yes  No
2. Do you have, or are you in the process of establishing an AMRF with a QFM other than Cantor? Yes  No
3. Do you have a guaranteed pension (including Social Welfare Pension) or annuity of at least €12,700 in your own name? Yes  No
4. Have you paid at least €63,500 to buy an annuity with any other insurance company? Yes  No
5. I wish to establish an AMRF, as defined under Section 784C, Taxes Consolidation Act 1997, to be held in my name with Cantor, the Qualifying Fund Manager, as defined under Section 784A, Taxes Consolidation Act 1997. Yes  No

## 5. Minimum Distributions from ARFs

### Imputed Distributions explained:

Each year, a tax liability based on an imputed distribution shall apply for ARF holders aged 60 or over for the full tax year. The amount of the withdrawal depends on your age and the total value of all your ARF and vested PRSA policies as at 30th November of each year, as follows:

- 61 or more <€2 million 4%
- 71 or more <€2 million 5%
- 61 or more > €2 million 6%

It is your responsibility to inform us of the existence of other ARF and vested PRSA policies and the value of those policies. Otherwise we will proceed to set up a withdrawal as per the above table.

Please confirm if you would like Cantor to arrange an annual distribution to meet the imputed distribution obligation. Yes  No

Please note that Cantor will process the annual distribution at a single date within the relevant tax year. Cantor reserves the right to select the relevant distribution and to change this date without prior notification to you. You reserve the right to opt-out of the automatic minimum distribution at any time by advising us in writing.

### Withdrawal payment processing requirements

Payments from A(M)RFs are liable to Income Tax, PRSI and USC. Cantor effectively becomes your employer. To ensure you are not taxed at the emergency tax rate, you will need to arrange a Certificate of Determination of Tax Credits and Standard Rate Cut Off Point.

To arrange this please contact your local tax office with the following information:

Your PPSN and Cantor Employer No. 9547032R.

## 6. Bank Details (PLEASE USE BLOCK CAPITALS)

Bank Name	<input type="text"/>
Bank Address	<input type="text"/>
	<input type="text"/>
Account Name	<input type="text"/>
IBAN*	<input type="text"/>
BIC	<input type="text"/>

\*Your IBAN includes your account number and sort code and is an international standard for identifying bank accounts across national borders. This is detailed on your bank statement.

# Discretionary Account Opening Document

ARF/AMRF Application Form



## 7. Financial Background (PLEASE USE BLOCK CAPITALS)

### Regular Income (per annum)

Please complete ALL sections. Any incomplete will be assumed as "€0".

Employment/Pension	€ <input type="text"/>
Property Income	€ <input type="text"/>
Investment Income	€ <input type="text"/>
Other Income	€ <input type="text"/>

### Regular Commitments (per annum)

Pension	€ <input type="text"/>
Mortgage PPR	€ <input type="text"/>
Others (e.g. Loans)	€ <input type="text"/>

### Occupation & Employment Capacity

Occupation	<input type="text"/>
Employment Capacity	<input type="checkbox"/> Self-employed /Director <input type="checkbox"/> Company Employee <input type="checkbox"/> Retired

### Value of Personal Assets Please complete ALL sections. Any incomplete will be assumed as "€0".

Principal Private Residence (PPR)	€ <input type="text"/>
Mortgage on PPR	€ <input type="text"/>
Cash Deposits	€ <input type="text"/>
Other Investments	€ <input type="text"/>
Gross Value of Other Properties	€ <input type="text"/>
Total Debt on Other Properties/Investments	€ <input type="text"/>
Other Net Assets	€ <input type="text"/>
Consolidated Value of Pension/A(M)RF Assets	€ <input type="text"/>

### Source of Wealth/Funds

(i) Please indicate how your **overall wealth** was accumulated. You can indicate more than one option.

<input type="checkbox"/> Savings
<input type="checkbox"/> Inheritance
<input type="checkbox"/> Equity/Fund Investment
<input type="checkbox"/> Property Investment
<input type="checkbox"/> Sale of Business
<input type="checkbox"/> Retirement Fund
<input type="checkbox"/> Redundancy
<input type="checkbox"/> Other: If other please specify <input type="text"/>

(ii) Please indicate the source of funds provided for this ARF/ AMRF investment. You can indicate more than one option.

<input type="checkbox"/> Transfer from other Investment/Pension Provider
<input type="checkbox"/> Other: If other please specify <input type="text"/>

# Discretionary Account Opening Document

ARF/AMRF Application Form



## 7. Financial Background *continued*

### Dividends

Unless you specify otherwise you will receive cash dividends and in Euro currency.

If you wish to receive stock dividends (where available) please tick here

## 8. Investment Objectives and Risk

**Portfolio Individual Transaction Size** (Please answer all)

### (i) What is your anticipated total portfolio size

- Less than €20,000  
 Between €20,000 and €50,000  
 Between €50,000 and €150,000  
 Between €150,000 and €500,000  
 Over €500,000

### (ii) What is your average anticipated transaction size

- Less than €10,000  
 Between €10,000 and €50,000  
 Between €50,000 and €250,000  
 Over €250,000

### (iii) If you have a specific investment time horizon for your account please indicate below

- Less than 1 year  
 Between 1 and 5 years  
 Over 5 years

### Income Requirement

Any incomplete will be assumed as €0.

Please state the approximate income requirement, if any, from your ARF/AMRF investment with Cantor

€

### Which of the following best describes your ARF/AMRF investment objective

- Capital Growth only  Mix of Income with Capital Growth  Income only

### Permitted Investment Instruments

Please tick which instruments you would consider investing in, you may indicate more than one option.

If you do not select any we will assume all are open to you.

- Equities  Investment Bonds  Investment Funds  
 Government Bonds  Corporate Bonds  Corporate Finance Product  
 Other (please specify)

### Attitude to Risk

#### (i) Which ONE of the following most accurately describes your ARF/AMRF investment profile?

**Very Cautious Investor\***

You are risk averse. Your investment preference is to maintain the security of your capital. You acknowledge that this investment strategy is at the expense of potential capital gain or incremental income.

*\*This category is not 100% capital guaranteed*

**Cautious Investor**

You are prepared to accept low levels of risk for the prospect of slightly higher returns.

**Considered Investor**

You are looking for a balance of risk and reward. You accept during periods of market risk potential losses may exceed by a multiple the potential income from investments.

**Considered Risk Taker**

You are willing to accept higher levels of volatility and fluctuations in the value of your investments for the prospect of higher returns. You accept that volatility in markets may result in loss in excess of the initial investment amount.

**Risk Taker**

You are willing to accept high volatility levels and fluctuations in the value of your investments for the prospect of higher returns. You acknowledge that in light of the unpredictable nature of stock markets your investment may carry an increased risk of potential loss in excess of the initial amount invested.

#### (ii) You find it interesting to explore investment opportunities for your money?

- Strongly Agree  Agree  Neither Agree nor Disagree  Disagree  Strongly Disagree

# Discretionary Account Opening Document

ARF/AMRF Application Form



## 8. Investment Objectives and Risk continued

**(iii) Six months after making an investment where your capital is at risk, your investment performs poorly in line with weak financial markets. Which option described below, best suggests your possible course of action?**

- Sell all the investment and put the proceeds in a deposit account to prevent further loss
- Sell part of the investment, purchasing a less risky investment with the proceeds to reduce further losses
- Monitor the investment ahead of deciding what to do
- Invest more monies to avail of weaker prices expecting recovery
- Make a riskier investment to recover all losses in the expectation of recovery

## 9. Experience (PLEASE USE BLOCK CAPITALS)

**Basic:** Have some knowledge but limited trading history.

**Good:** Have knowledge and have traded over a number of years.

**Extensive:** Have knowledge and have traded consistently over the past 5 years.

**Where you have ANY trading experience, has the experience been:** (If no previous experience please tick same)

- Execution Only (no broker input)       Advisory (broker advises, you decide)
- Discretionary/managed (broker agrees investment parameters and has discretion to transact)
- No previous experience

### **Financial Instruments** ALL SECTIONS **MUST** BE COMPLETED

Please indicate your investment experience in relation to the following instruments:

	NONE	BASIC	GOOD	EXTENSIVE	NUMBER OF YEARS EXPERIENCE	AVG. NUMBER OF TRADES PER ANNUM
Equities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text"/>	<input type="text"/>
Corporate Bonds	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text"/>	<input type="text"/>
Government Bonds	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text"/>	<input type="text"/>
Investment Funds	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text"/>	<input type="text"/>
Investment Bonds	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text"/>	<input type="text"/>
Corporate Finance Products	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text"/>	<input type="text"/>

### **Relevant Professional Qualification or Experience**

**Do you have professional qualifications or investor experience?**

1. Do you have a professional qualification? Yes  No
2. Do you work as an investment manager/advisor? Yes  No
3. Are you a member of a recognised association? Yes  No
4. Other (please specify)

# Discretionary Account Opening Document

ARF/AMRF Application Form



## 10. Further Objectives & Restrictions (PLEASE USE BLOCK CAPITALS)

### Ethical Securities

Do you wish to invest only in ethical securities? If you tick yes we will manage your portfolio in accordance with our ethical guidelines, a copy of which we will forward and which may result in your stock selection differing from other portfolios.

Yes  No

### Portfolio and Strategy

Has Cantor provided you with an example of a portfolio?

Yes  No

Has Cantor provided you with a copy of its investment strategy for your portfolio?

Yes  No

What is the agreed benchmark for the account?

### Portfolio/account valuations

Please indicate below whether you wish regular valuations to be prepared monthly, quarterly, half-yearly or annually

Such valuations will include a measure of portfolio performance by including the cost of each holding.

### Limits or restrictions

Please indicate any limits or restrictions to the manner in which Cantor will operate your portfolio.

(a) on the type of investment which Cantor may enter into transactions on your behalf;

(b) on the amount of the consideration which may be involved in any transaction on your behalf;

(c) on the value of any investments or class of investments which may be held for you; or

(d) other special instructions

**Note: Please notify us as soon as possible of any material change in any information given above.**

# Discretionary Account Opening Document

ARF/AMRF Application Form



## 11. Research and Product Information

### Insights & Research Publications

As part of our service offering, we regularly share key insights, research publications and updates on latest investment opportunities. Please select the communications you wish to receive:

- |                                                 |                                                                                                                |                                           |
|-------------------------------------------------|----------------------------------------------------------------------------------------------------------------|-------------------------------------------|
| <input type="checkbox"/> Daily Note             | <input type="checkbox"/> Monthly Talking Points Newsletter                                                     | <input type="checkbox"/> Investment Bonds |
| <input type="checkbox"/> Weekly Trader          | <input type="checkbox"/> Corporate Finance Investments (Private Equity, EIS Investments, Property Investments) |                                           |
| <input type="checkbox"/> Weekend Papers Summary | <input type="checkbox"/> Ethical Investing                                                                     |                                           |

### Online Access

We will provide you with a password to view your account online.

If you would prefer not to have online access please tick here



# Discretionary Account Opening Document

ARF/AMRF Application Form



## 12. Acknowledgement

In signing this document it will constitute a contract, both legally binding and enforceable. If you have any queries about any aspect of the account opening documentation please contact Cantor for clarification or, if you think it appropriate to do so, obtain independent legal advice.

The undersigned hereby acknowledges that:

- (a) I have carefully read, acknowledge and understand the terms of the below listed documentation which I have been presented with and have had an opportunity to consider. I hereby agree that by signing this acknowledgement that I will be bound by all terms and conditions contained in the following documents:
1. ARF/AMRF Discretionary Account Opening Document
  2. Terms and Conditions booklet:
    - i. Terms and Conditions of Service
    - ii. Conflicts of Interest Policy
    - iii. Order Execution Policy
    - iv. Information on Financial Instruments
- (b) The service description set out in the Terms and Conditions booklet incorporates the service to be provided by Cantor to me in its entirety, and for which I now hereby apply.
- (c) The risk profile, investment experience, financial information and restrictions provided in the Account Opening Document is a complete and accurate record of all information relevant and necessary to allow Cantor to provide a discretionary service to me.
- (d) I acknowledge that Cantor will arrange for a nominee account to be opened with Pershing Securities International Limited on behalf of my ARF/AMRF.
- (e) I confirm that the information provided to Cantor in respect of applying the appropriate risk strategy is accurate and undertake to notify Cantor in writing should there be a change in the assumptions used that should lead to a need for a change in the type and nature of investment advice and strategies used upon my account.
- (f) I accept that Cantor may place orders on my account without direct instruction and that such orders are at Cantor's discretion within the risk parameters outlined above.
- (g) I accept that while Cantor will manage my assets prudentially, past performance is not a reliable indicator of future performance. I further accept that the value of this account may fall as well as rise and that as the account is invested in equities, extreme events could arise where I lose all or part of the value of the account.
- (h) I have been presented with and have had an opportunity to consider the **Client Asset Key Information Document** and I have carefully read, acknowledge and understand the arrangements Cantor has put in place for holding client assets and the risks associated with them.
- (i) I have been presented with a current rate card and I am aware that any changes to this will be updated to the Cantor Fitzgerald website for my reference.
- (j) I declare that I am beneficially entitled to the funds that are to be invested under this application and that I am entitled to apply for an ARF/AMRF.

### BENEFICIARY SIGNATURE

Print Name

Date Signed

  

### AUTHORISED SIGNATORY FOR AND ON BEHALF OF CANTOR FITZGERALD AS QFM

Print Name

Date Signed

  

75 St. Stephen's Green, Dublin 2, Ireland. Tel : +353 1 633 3800. Fax : +353 1 633 3856  
email : ireland@cantor.com web : www.cantorfitzgerald.ie

# Discretionary Account Opening Document

ARF/AMRF Application Form



## 13. Certificate of Investment Source – Approved Retirement Fund (ARF)

This Certificate must be completed by Cantor and the transferring Pension Provider/Administrator.

### Section 1: ARF Investment to be completed by Cantor

Title Mr  Mrs  Ms  Miss  Other

Surname

Forename(s)

Address

PPS Number

Date of Birth

Name of Existing Insurance Company or QFM or other source

### Section 2: Source of ARF Investment to be completed by the Insurance Company, QFM, PRSA Provider or Scheme Administrator

We certify that the investments described above are currently held in:

- Personal Retirement Savings Account (PRSA)
- Retirement Annuity Contract
- Exempt Approved Occupational or Statutory Pension Scheme
- Approved Minimum Retirement Fund
- Approved Retirement Fund

Please give full details including the policy/reference number and name of the Life Insurance Company, PRSA Provider or Qualifying Fund Manager or the full name and Revenue reference of the pension scheme.

  
  
  

Withdrawals taken from the existing ARF policy in the current year? €  %

### ARF Declaration

We confirm that:

- the proposed investment amount to which this certificate relates comprises of assets to which the individual named above is beneficially entitled; and
- the assets to which this certificate relates do not form part of an Approved Minimum Retirement Fund (AMRF) within the meaning of Section 784C of the Taxes Consolidation Act 1997; and
- the assets to which this certificate relates derive from an approved source within the meaning of Section 784B of the Taxes Consolidation Act 1997 (as amended).

### Signature of Authorised Signatory

Print Name

Date

  

Position/Title

Company

Email

# Discretionary Account Opening Document

ARF/AMRF Application Form



## 14. Certificate of Investment Source – Approved Minimum Retirement Fund (AMRF)

This Certificate must be completed by Cantor and the transferring Pension Provider/ Administrator.

### Section 1: AMRF Investment to be completed by Cantor

Title Mr  Mrs  Ms  Miss  Other

Surname

Forename(s)

Address

PPS Number

Date of Birth  DD  MM  YY

Name of Existing Insurance Company or QFM or other source

### Section 2: Source of AMRF Investment to be completed by the Insurance Company, QFM, PRSA Provider or Scheme Administrator

We certify that the investments described above are currently held in:

- Personal Retirement Savings Account (PRSA)
- Retirement Annuity Contract
- Exempt Approved Occupational or Statutory Pension Scheme
- Approved Minimum Retirement Fund

Please give full details including the policy/reference number and name of the Life Insurance Company, PRSA Provider or Qualifying Fund Manager or the full name and Revenue reference of the pension scheme.

  
  
  

Amount of Original Investment €  Date of Investment  DD  MM  YY

Withdrawals taken from the existing AMRF policy in the current year? €  %

### AMRF Declaration

We confirm that:

- the proposed investment amount to which this certificate relates comprises of assets to which the individual named above is beneficially entitled; and
- the assets this certificate relates to come from an approved source within the meaning of Section 784D of the Taxes Consolidation Act 1997 (as amended).

### Signature of Authorised Signatory

Position/Title

Print Name

Company

Date

 DD  MM  YY

Email

Please return completed Certificate of Investment Source to: Cantor Fitzgerald Ireland Limited, 75 St. Stephens Green, Dublin 2.

# CLIENT ASSETS KEY INFORMATION DOCUMENT

## 1. Introduction

As you are aware when Cantor Fitzgerald Ireland (“CFI” or the “firm”) provides investments services to you as our client under our terms of business, we have regulatory responsibility over client assets (both funds and financial instruments) in your account with us.

## 2. An explanation of the Regulations

The manner in which we handle your assets is governed by the Client Asset Regulations (SI No 104 of 2015) issued by the Central Bank of Ireland (“CBI”). In addition, the CBI has issued guidance on the implementation of the Regulations. The Client Asset Regulations and the Guidance are collectively referred to as the “Regulations”. These documents can be found on the CBI Website at the following web address: <http://www.centralbank.ie/regulation/ClientAssetsandInvestorMoney/Client%20Asset%20Regulations/Pages/default.aspx>

The Regulatory Guidance requires CFI to provide you with the Client Assets Key Information Document (“CAKID”) with the below objectives:

- i. Explain certain key features of the Regulations and the Regulatory Guidance;
- ii. Provide you with information pertaining to our arrangements to ensure that your assets are protected; and
- iii. Highlight any risks relating to your arrangements with us.

The primary purpose of the Guidance issued by the Central Bank of Ireland is to assist firms in complying with the Regulations. The guidance does not purport to be legal advice or a legal interpretation of the Regulations.

Please read this document in conjunction with the firm’s terms of business.

### Key Principles of the Client Asset Regulations

The purpose of the Regulations is to regulate and safeguard the handling of client assets to enable swift and safe return of these assets to the clients. However, it is important to note that it can never fully eliminate all risks relating to client assets some of which are identified in Section 5 below.

The key principles of these Regulations require that:

- client assets are segregated from the firm’s own assets through registration of client assets in designated client asset accounts with the relevant institution holding the assets;
- we ensure the accuracy of both our records and those of the institutions holding the assets through regular reconciliations and daily calculations;
- we inform you through our terms of business and the CAKID of our arrangements and where relevant obtain your consent to the manner in which your assets are held;
- CFI have appropriate risk management processes and systems, including documented policies and procedures to ensure that a risk based approach is adopted in safeguarding your assets.

## 3. An explanation of what constitutes client assets under the Regulations

Client Assets include both

- (i) Client Funds: Any money, to which you are beneficially entitled, which we have received from you or on your behalf. It includes cash, cheques or other payable orders, current and deposit accounts including pledged accounts you may have.
- (ii) Client Financial Instruments: Any financial instrument (for example, shares, bonds and units held in collective investment schemes) held by us on your behalf including any held with a nominee.

The values assigned to your investments are not covered by these Regulations.

## 4. The circumstances in which the Regulations apply and do not apply

Client assets cease to be client assets where:

- a) they are paid, or transferred, to the client whether directly or into an account with a third party or a relevant party in the name of the client (not being an account which is also in the name of the investment firm); or
- b) where they are paid, or transferred, to a third party on the written instructions of the client and are no longer under the control of CFI. In addition, acting in

accordance with the terms of an investment management agreement or the completion of an order or application form will be considered to be a request from the client to pay the client assets to the relevant third party.

It is important to note that the Client Asset Regulations:

**Do apply:**

- (i) For funds or financial instruments that have been received in respect of activities which are regulated financial services.
- (ii) Once a cheque or other payable order is received by the firm except where it is payable to a third party and transmitted by CFI to that party.
- (iii) Once interest is received where it has been agreed in writing that it is payable on your client funds.
- (iv) Until a cheque sent to you by us has been cashed.

**Do not apply:**

- (i) When funds or financial instruments have been received in respect of activities which are not regulated financial services.
- (ii) Where you have transferred full ownership of funds or financial instruments to cover or secure present or future, actual or contingent or prospective obligations.
- (iii) Where we receive a cheque or other payable order from you or on your behalf payable to a third party and we transmit that to the third party.
- (iv) Funds that are due and payable to the firm in accordance with our terms of business.
- (v) Where a cheque or other payable order received from you on your behalf is not honoured by the bank.
- (vi) Where funds have been paid to you or a nominated third party (within the limited circumstances such instructions can be undertaken). Please note that payments to third parties can only be done on written instruction from you. Completion of an order or application form is considered a request to pay a third party.
- (vii) Where financial instruments are registered in your own name and we are not providing safe custody.

## 5. An explanation of the circumstances in which the firm will hold clients assets, hold client assets with a third party and hold client assets in another jurisdiction

Client Assets are never held directly by Cantor Fitzgerald except where they have been received as part of the settlement process.

Cantor Fitzgerald have entered into an agreement ("the

Pershing Agreement") with Pershing Securities International Limited ("PSIL"), 4th Floor Hanover Building, Windmill Lane, Dublin 2, www.pershing.ie on behalf of ourselves and each of our clients whereby PSIL has agreed to provide clearing and settlement, safe custody, and other associated services for clients whom Cantor introduces to them. PSIL are regulated by the Central Bank of Ireland and are bound by the Client Asset Regulations.

All client asset accounts are clearly designated as "Client Asset Accounts" in both the internal records of PSIL and the records of any of the institutions actually holding the assets.

Those assets must be identifiable from ours or PSIL's own assets.

### 5.1 Client Funds:

Funds received are lodged to a pooled Client Asset Account with an eligible bank or credit institution. This means that a number of client's funds are held in the same client asset account with the bank or credit institution. However PSIL maintain detailed records identifying the amount being held for each client within the pooled account. We refer to section 5 regarding the risks associated with pooled accounts.

The funds are lodged to an account in the same currency as they are received unless PSIL do not have a client asset account in that currency and it would be unduly burdensome to open one. Amounts are converted at the rates prevailing when lodged to the Client Asset Account.

Where funds are received which include funds not qualifying as Client Funds the total funds are lodged to PSIL's client funds account but an immediate transfer is made of portion not deemed client funds to a non-client asset account.

Our preference is to receive funds by way of electronic transfer from clients. To facilitate this details of PSIL's client asset bank account is provided to you.

### 5.2 Client Financial Instruments

Where you have elected to use the safe custody services of PSIL, you consent that your investments will not be registered in your own name. Documents of title to your investments shall be held in physical or dematerialised form by PSIL or an Eligible Third Party.

Your investments will be held in a safe custody account designated as a client asset account and will be registered either in the name of

- (i) A nominee company owned by PSIL,
- (ii) A member of PSIL's group,
- (iii) An exchange which is a regulated market, or
- (iv) An Eligible Third Party, in accordance with the CBOI Client Assets Requirements. PSIL will exercise due skill, care and diligence in the selection, appointment and

periodic review of any Eligible Third Party and the arrangements for holding and safekeeping of your investments, but PSIL shall not be responsible for any acts, omissions or default of any such Eligible Third Party save where such a default is caused by fraud, wilful default or negligence on the part of PSIL or its nominee company.

In some instances, due to the characteristics of a particular financial instrument it is not possible for PSIL to hold the assets within the Irish jurisdiction. In such cases they will be held with a custodian in the relevant jurisdiction. It is important to note that where assets are held outside this jurisdiction:

- (i) The Client Assets Regulations applicable may differ to those applicable within this state.
- (ii) The Investment Compensation scheme in operation in Ireland will not apply to any default by the foreign custodian.

PSIL hold client assets on a pooled nominee basis. Under this structure, the share register of the companies in which the underlying investors hold shares (investment companies) will show one entry for the nominee company. This entry will be the aggregate of all the individual investors' holdings. We refer to section 5 regarding the risks associated with pooled accounts and where assets are held outside Ireland or the European Economic Area (EEA) as described above.

PSIL are obliged to keep a detailed breakdown of each individual investor's holding. The total of these holdings must equate to the aggregate on the investment company register.

The firm does not provide safe custody arrangements for the holding of share certificates in client's own names. Where the firm receives share certificates either from clients or on behalf of clients as a result of share transactions the firm immediately passes them to the client or relevant settlement agent. In such cases the firm maintains a log of all receipts and dispatch of share certificates.

## **6. The arrangements applying to the holding of client assets and the relevant risks associated with these arrangements**

Your assets are held by PSIL in a specifically designated Client Assets Account within the institutions outlined above.

Transactions in respect of your assets may only be undertaken by the institution based on an instruction from Cantor Fitzgerald. The principal risks associated with holding your assets in this manner include exposures relating to:

- Loss of financial instrument and /or client funds (The

Assets):- the risk that those charged with safeguarding client assets fail to ensure clients assets are only released when authorized by the fund manager or agent on behalf of the underlying investor.

- Administrative risk:- the risk that due to administrative errors, accurate records are not maintained detailing correct shareholdings of the underlying investors.
- Default Risk:- the risk that the owner of the nominee company goes into liquidation or the custodian goes into liquidation.
- Corporate Actions Risk:- the risk that corporate actions are missed by the custodians.
- Negligence or the perpetuation of a fraud by persons employed by either this firm or the institution holding the assets.
- Misappropriation of your assets.
- Risks associated with pooled accounts: Under a pooled arrangement, client assets are held along with investments belonging to other clients. The risks associated with this arrangement are: a) This involves a possibility where assets held for one client are temporarily used to meet the settlement obligations of another client; b) In the event of an irreconcilable shortfall, clients may not receive their full entitlement and may share in the shortfall in proportion to their original share, or on some other basis in accordance with the applicable law; c) When your investments are pooled, you may not receive the same treatment or options when there is a corporate action or other event as you would if the investment were held in a separately designated account with a nominee company or custodian, or held in your own name. For example, following an allocation or share issue that favours the small investor, your allocation may be less than it otherwise would have been if your investments had been registered in your own name.
- Risks associated with investments held by sub-custodians outside Ireland or the EEA: Investing in overseas securities may give rise to different settlement, legal and regulatory requirements from those in Ireland or the EEA and different practices for the separate identification of investments. This means that your protection may be less should a default occur on the part of the custodian or sub-custodian. In certain jurisdictions where different laws/regulations apply, your investments will not necessarily be separately identifiable and may be subject to third party claims made against the relevant custodian or sub-custodian.
- "Un-invested money" (i.e. money not immediately required to settle an investment transaction) will not attract credit interest but may attract cash handling charges. Negative cash balances on your account may attract debit interest.

Cantor Fitzgerald endeavour to minimise these risks by confirming PSIL:

- Undertake risk assessments, as set out below, of institutions with whom your assets are held.
- Have written confirmation, in line with the Regulations, from these institutions that your assets will be segregated from the firm's own assets and will be held in separately designated Client Asset Accounts.
- Undertaking regular reconciliations of their records with those of the institutions and following up any differences in a timely manner.
- Undertaking daily calculations of the client money held for clients as per their records with the client money resource that should be held with the bank or credit institution.
- Ensuring instructions on your account are passed to the institutions by appropriately authorised members of staff.
- Ensuring financial instruments are registered and designated as outlined above.
- Ensuring adequate oversight of your assets is

maintained by them through appropriate documented procedures and controls to minimise the risk of loss for clients.

PSIL in selecting relevant institutions to hold client assets on behalf of this firm's clients they undertake an assessment, at least biannually, covering:

- (i) The institution's credit rating (where available)
- (ii) Known service levels for the institution (where we have past experience with the institution)
- (iii) Whether the institution is independent of the firm.
- (iv) What clients rights would be in the event of insolvency of the institution

Where the institution is not in this jurisdiction a similar assessment is undertaken. Particular attention is paid to the establishing the relevant regulations and compensation scheme.

Once an institution has been selected to hold Client Assets a facilities letter confirming specified details, as set out in the Regulations, will be obtained from the institution. No Client Assets will be lodged prior to receipt of the facilities letter.



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