



# Cantor Fitzgerald Ireland Ltd ("Cantor")

## Professional - Corporate Execution Only

### Account Opening Document

#### HOW TO PROCEED

##### ACCOUNT SET UP CHECKLIST:

1.  I/We have completed the attached application form in full and signed and dated same.
2. Please also enclose the following (Documents must be certified if the entity is **NON** Irish):
  - A. Copy of the latest Audited Accounts
  - B. Copy of Constitutional Documents
  - C. Copy of Certificate of Incorporation
  - D. Proof of business address (recent utility bill or bank statement)
  - E. Copy of the Company's register of shareholders\*\*  
*\*\*If any of the shareholders with 25% or more holding is a corporate entity, please provide the certificate of incorporation, constitutional documents for this entity including a company structure chart showing the ultimate beneficial owners.*
  - F. **(i)** Certified copy\* ID (Passport/Drivers Licence) - please ensure it is in date.  
**(ii)** Two certified copies\* 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 Irish Bank
    - Social insurance document or Revenue Commissioners document**FOR** either one Director and one Authorised Person or two Directors  
**AND** for each of ultimate beneficial owner(s) who have 25% or more shares or voting rights of the company  
*\*Must be stamped and certified to be a true copy of the original by a member of Garda/Police, Solicitor or Cantor member of staff.*
3.  I/We have completed and attached the Corporate Declaration of Residence in Ireland (if applicable)

##### Post/Delivery

Return the completed application and required documentation specified above to:

Dublin: Cantor Fitzgerald Ireland Ltd, 75 St Stephen's Green, Dublin 2  
Limerick: Cantor Fitzgerald Ireland Ltd, Theatre Court, Lowerr Mallow Street, Limerick  
Cork: Cantor Fitzgerald Ireland Ltd, 45 South Mall, Cork

##### Queries/Advice

Call your broker on:  
DUBLIN: +353 1 633 3633 | CORK: +353 21 422 2122 | LIMERICK: +353 61 436500  
Email Queries to Client Services at [ireland@cantor.com](mailto:ireland@cantor.com)

# Execution Only Account Opening Document

## Professional Corporate Account Application Form



### FOR OFFICE USE ONLY

Cantor Broker Owner   
Client Account Number

Face to Face Meeting: Yes  No  Nominee  Certificated

## 1. Company Details (PLEASE USE BLOCK CAPITALS)

Name   
Address   
  
Tel  Reg No.   
Nature of Company Business   
Country of Incorporation  LEI\* Code   
Tax Identification No.  \*Legal Identifier Code

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

### Director 1

Title Mr  Mrs  Ms  Miss  Other   
Surname   
Forename(s)   
Residential Address   
  
Nationality

### Director 2

Title Mr  Mrs  Ms  Miss  Other   
Surname   
Forename(s)   
Residential Address   
  
Nationality

## 3. Shareholder Details (PLEASE USE BLOCK CAPITALS)

1. Please Note: A beneficial owner is defined as a person/entity who have 25% or more share holding OR voting rights in the entity.

2. Is one or more shareholder a company structure? Yes  No

If "Yes" please provide a copy of the Trust/Company ownership structure up to and including the ultimate beneficial owner(s).

### Ultimate Beneficial Owner 1

Title Mr  Mrs  Ms  Miss  Other   
Surname   
Forename(s)   
Residential Address   
  
Co of Residency   
Nationality   
% Holding

### Ultimate Beneficial Owner 2

Title Mr  Mrs  Ms  Miss  Other   
Surname   
Forename(s)   
Residential Address   
  
Co of Residency   
Nationality   
% Holding

**3. Shareholder Details** Continued (PLEASE USE BLOCK CAPITALS)

**Ultimate Beneficial Owner 3**

Title Mr  Mrs  Ms  Miss  Other

Surname

Forename(s)

Residential Address

Co of Residency

Nationality

% Holding

**Ultimate Beneficial Owner 4**

Title Mr  Mrs  Ms  Miss  Other

Surname

Forename(s)

Residential Address

Co of Residency

Nationality

% Holding

**4. Authorised Persons** (PLEASE USE BLOCK CAPITALS)

- The following persons are authorised to issue instructions (oral or otherwise) on the account ("Authorised Persons").
- Cantor will operate on the instruction of one Authorised Person.
- PLEASE NOTE: the below persons will be the key contact people for this account and the only people we can take instruction from or speak to regarding the account.

**Authorised Person 1 (Key Contact Person)**

Title Mr  Mrs  Ms  Miss  Other

Surname

Forename(s)

Residential Address

Email

Tel

Signature

**Authorised Person 2 (Key Contact Person)**

Title Mr  Mrs  Ms  Miss  Other

Surname

Forename(s)

Residential Address

Email

Tel

Signature

Please continue to next page



**6. Experience** (PLEASE USE BLOCK CAPITALS) To be completed by the primary investment decision maker in the entity.

**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

**A. Financial Instruments**

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

	NONE	BASIC	GOOD	EXTENSIVE	NUMBER OF YEARS EXPERIENCE	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?** (for either client if joint)      Yes       No
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)

**7. 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:

- Daily Note       Monthly Talking Points Newsletter       Investment Bonds  
 Weekly Trader       Corporate Finance Investments (Private Equity, EIS Investments, Property Investments)  
 Weekend Papers Summary       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

**8. Resolutions of board of directors**

We certify that at a meeting of the directors of \_\_\_\_\_ ("Client"), duly convened and held on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, the following resolutions were duly passed.

• **Authority to open a Securities dealing account**

That an account or accounts be opened with Cantor Fitzgerald Ireland Ltd (the 'Company') at 75 Stephen's Green, Dublin 2 under the terms and conditions outlined in the foregoing Account Opening Document, the Terms and Conditions booklet and the conditions below. The Client authorises the persons specified in **Part 2** above to execute the Account Opening Document on their behalf.

• **Authority to Cantor Fitzgerald Ireland Ltd (the 'Company')**

That the Company be authorised and instructed to undertake the following:

**1. To act on instructions on dealings with securities, etc.**

Subject to the terms and conditions outlined in the Company's Account Opening Document to act on any instructions from the "Authorised Persons" specified in **Part 2** above (or as varied from time to time) with regard to the purchase or sale of, or other dealings, in securities or documents of the Client or any foreign currency transactions (without prejudice to the Company's right to refuse to allow accounts become overdrawn).

**2. To honour orders**

To honour and comply with any orders to withdraw any or all money on any account or accounts of the Client with the Company and with instructions to deliver, dispose of or deal with any securities, deeds or documents or other property whatsoever from time to time in the Company's possession for the account or accounts of the Client whether by way of security or safe custody or otherwise provided that the instructions are received as agreed with the Company.

• **Not to restrict Company's right to lien, etc.**

The Client agrees that nothing in the arrangements between the Company and the Client shall be treated as constituting, an implied agreement restricting or negating any lien, charge, pledge or right of set-off.

• **To furnish the Company with memorandum, etc.**

That the Company be furnished with an up to date copy of the Memorandum and Articles of Association and the Certificate of Incorporation.

• **To provide list of directors, etc.**

That the Company be furnished with a list of the names of the Directors, Secretary and other officers of the Client and with specimens of their signatures and that the Company be notified immediately in writing signed by any Director or the Secretary of the Client of any changes which may from time to time take place in these details and be entitled to act on any such notice and that until receipt of such notice the Company may continue to treat the last list received as correct.

• **To communicate resolutions to the Company**

That these resolutions be communicated to the Company and shall constitute the Account Opening Document and remain in force until an amending resolution shall be passed by the board of Directors and a copy of such resolutions certified by any Director or the Secretary of the Client shall be communicated to the Company.

• **Interpretation**

That in this resolution the expressions Director(s) and Secretary shall be construed as Director(s) and Secretary of the Client and shall, in the case of Director(s) include Alternate Director(s) and in the case of Secretary, shall include any Joint Secretary, Assistant Secretary or Temporary Secretary.

• **Statements of Account**

The Client agrees that it will examine all statements supplied by the Company setting out transactions on any of its account within 30 days.

• **Entry of resolutions in minute book**

We certify that the above resolutions have been duly entered in the minute book and signed by the Chairman and are in accordance with the Articles of Association of the Company and are, at this date, in full force and effect.

**DIRECTOR'S SIGNATURE**

Print Name

Date Signed

  

**DIRECTOR'S SIGNATURE**

Print Name

Date Signed



**9. Controlling Person's Self-Certification for FATCA and CRS** Continued (PLEASE USE BLOCK CAPITALS)

**4. Declaration and Undertakings** (PLEASE USE BLOCK CAPITALS UNLESS SIGNATURE IS REQUIRED)

I understand that the information supplied by me is covered by the full provisions of the terms and conditions governing the Account Holder's relationship with Cantor setting out how Cantor may use and share the information supplied by me.

I acknowledge that the information contained in this form and information regarding the Account Holder and any Reportable Account(s) may be reported to the tax authorities of other country or countries in which the Account Holder may be tax resident pursuant to intergovernmental agreements to exchange financial account information with the country/ies in which this account(s) is /are maintained.

I certify that I am authorised to sign for the Account Holder in respect of all account(s) to which this form relates.

I certify that where I have provided information regarding any other person (such as a Controlling Person or other Reportable Person to which this form relates) that I will, within 30 days of signing this form, notify those persons that I have provided such information to Cantor and that such information may be provided to the tax authorities of the country or countries in which the person may be tax resident pursuant to intergovernmental agreements to exchange financial account information.

I declare that all statements made in this declaration are, to the best of my knowledge and belief, correct and complete.

I undertake to advise Cantor within 30 days of any change in circumstance which affects the tax residency status of the Account holder identified in section 1 of this form or causes the information contained herein to become incorrect (including any changes to the information on the Controlling Persons identified in section 4 of this form) and to provide Cantor a suitably updated self-certification and Declaration within 90 days of such change in circumstances.

**SIGNATURE - CONTROLLING PERSON**

Print Name

Note: If there are no natural person(s) who exercise control of the Entity then the Controlling Person will be the natural person(s) who hold the position of senior managing official including Director.

Capacity

Please indicate the capacity in which you are signing the form (for example 'Authorised Signatory of the Entity').

Date Signed



**9. Controlling Person's Self-Certification for FATCA and CRS** Continued (PLEASE USE BLOCK CAPITALS)

**5. Controlling Person - To be completed ONLY if you have ticked (a)i or (h) in section 1 (Entity Type)**

**IMPORTANT:** Please provide a completed form for **ALL** controlling persons, their tax residency/residencies including their Relationship to Account Holder (i.e., the Entity), and Tax Identification Number (e.g. PPS/National Insurance). Please continue on a separate sheet if necessary, signing, dating and attaching the sheet to this self-certification form.

1. Name of Controlling Person

2. Date of Birth

3. Country Of Tax Residency/Residencies

Tax ID Number (e.g. PPS)

4. Type of Controlling Person?

5. Percentage of Legal Entity Owned % (Where you are a Controlling Person based on your ownership interest)

**CONTROLLING PERSON'S SIGNATURE:**

Print Name:

Date Signed:

**CRS Appendix**

**<sup>1</sup> Controlling Persons**

Beneficial Owner/Controlling Person is generally defined as the natural person who owns or controls 25% or more of the shares / voting rights / property or otherwise exercises control of the Legal Entity, for example the individual who holds the position of senior managing official.

Where that entity is treated as a Passive Non-Financial Entity ("NFE") then a Financial Institution must determine whether such Controlling Persons are Reportable Person.

**<sup>2</sup> "NFE"**

An "NFE" is any Entity that is not a Financial Institution.

"Non-Reporting Financial Institution"

A Non-Reporting Financial Institution" means any Financial Institution that is:

- a Governmental Entity, International Organisation or Central Bank, other than with respect to a payment that is derived from an obligation held in connection with a commercial financial activity of a type engaged in by a Specified Insurance Company, Custodial Institution, or Depository Institution;
- a Broad Participation Retirement Fund; a Narrow Participation Retirement Fund; a Pension Fund of a Governmental Entity, International Organisation or Central Bank; or a Qualified Credit Card Issuer;
- an Exempt Collective Investment Vehicle; or
- a Trustee-Documented Trust: a trust where the trustee of the trust is a Reporting Financial Institution and reports all information required to be reported with respect to all Reportable Accounts of the trust;
- any other defined in a countries domestic law as a Non-Reporting Financial Institution.

**Investment Entity**

The term "Investment Entity" includes two types of Entities:

- An Entity that mainly carries out, as a business, one or more of these activities or operations for (or on behalf of) a customer:
  - Trading in money market instruments (cheques, bills, certificates of deposit, derivatives, etc.); foreign exchange; exchange,

**9. Controlling Person's Self-Certification for FATCA and CRS** Continued (PLEASE USE BLOCK CAPITALS)

interest rate and index instruments; transferable securities; or commodity futures trading;

- Managing portfolios (both individual and collective); or
- Otherwise investing, administering or managing Financial Assets or money on behalf of other persons.

These activities or operations don't include giving non-binding investment advice to a customer.

- ii. "The second type of "Investment Entity" ("Investment Entity managed by another Financial Institution") is any Entity whose gross income is primarily attributable to investing, reinvesting, or trading in Financial Assets where the Entity is managed by another Entity that is a Depository Institution, a Custodial Institution, a Specified Insurance Company, or the first type of Investment Entity.

**"Active NFE"**

An entity will be classified as Active NFE if it meets any of the following criteria:

- a) For the preceding calendar year or other appropriate reporting period, less than 50% of its gross income is passive income (including dividends, interest, annuities and rent) AND less than 50% of its assets are held for the production of passive income.
- b) Certain Wholly Owned Entities:  
- An Entity wholly owned by one or more of the following: Governmental Entity, International Organisation, Central Bank.
- c) Holding NFEs that are members of a nonfinancial group:  
- Substantially all of the activities of the NFE consist of holding (in whole or in part) the outstanding stock of, or providing financing and services to, one or more subsidiaries that engage in trades or businesses other than the business of a Financial Institution, except that an Entity does not qualify for this status if the Entity functions (or holds itself out) as an investment fund, such as a private equity fund, venture capital fund, leveraged buyout fund, or any investment vehicle whose purpose is to acquire or fund companies and then hold interests in those companies as capital assets for investment purposes.
- d) Start-up NFEs:  
- The NFE is not yet operating a business and has no prior operating history, but is investing capital into assets with the intent to operate a business other than that of a Financial Institution, provided that the NFE does not qualify for this exception after the date that is 24 months after the date of the initial organisation of the NFE.
- e) NFEs that are liquidating or emerging from bankruptcy:  
- The NFE was not a Financial Institution in the past five years, and is in the process of liquidating its assets or is reorganising with the intent to continue or recommence operations in a business other than that of a Financial Institution.
- f) Non-profit NFEs:  
The NFE meets all of the following requirements:  
- It is established and operated in its jurisdiction of residence exclusively for religious, charitable, scientific, artistic, cultural, athletic, or educational purposes; or it is established and operated in its jurisdiction of residence and it is a professional organisation, business league, chamber of commerce, labour organisation, agricultural or horticultural organisation, civic league or an organisation league operated exclusively for the promotion of social welfare;  
- It is exempt from income tax in its jurisdiction of residence;  
- It has no shareholders or members who have a proprietary or beneficial interest in its income or assets;  
- The applicable laws of the NFE's jurisdiction of residence or the NFE's formation documents do not permit any income or assets of the NFE to be distributed to, or applied for the benefit of, a private person or non-charitable Entity other than pursuant to the conduct of the NFE's charitable activities, or as payment of reasonable compensation for services rendered, or as payment representing the fair market value of property which the NFE has purchased; and  
- The applicable laws of the NFE's jurisdiction of residence or the NFE's formation documents require that, upon the NFE's liquidation or dissolution, all of its assets be distributed to a Governmental Entity or other non-profit organisation, or escheat to the government of the NFE's jurisdiction of residence or any political subdivision thereof.
- g) Treasury centres that are members of a nonfinancial group:  
- The NFE primarily engages in financing and hedging transactions with, or for, Related Entities that are not Financial Institutions, and does not provide financing or hedging services to any Entity that is not a Related Entity, provided that the group of any such Related Entities is primarily engaged in a business other than that of a Financial Institution.

**"Passive NFE"**

Under the CRS a "Passive NFE" means any NFE that is not an Active NFE and doesn't fit any of the Active NFE definitions. An Investment Entity located in a Non-Participating Jurisdiction and managed by another Financial Institution is also treated as a Passive NFE for purposes of the CRS.

## 10. 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.

### Subject to the information provided in this document Cantor is categorising you as a Professional Client.

In order to qualify for a professional client designation you must satisfy at least two of the following criteria:

1. The authorised person(s) on the account have executed transactions, of significant size\*, on a relevant market, at an average frequency of ten per quarter over the previous four quarters
2. The entity has a financial instrument portfolio, defined as including cash deposits and financial instruments, which exceeds €500,000
3. The authorised person(s) on the account work or have worked in the financial sector for at least one year in a professional position, which requires knowledge of the transactions or services offered by Cantor

\* Significant size: minimum €15,000

In categorising this entity as a professional client it is assumed that the authorised person(s) have:

- The necessary knowledge and experience to understand the risks involved in transactions you enter into and the investment services we provide you
- The financial circumstance to bear any related investment risks

The undersigned hereby acknowledges that:

- (a) I/We have carefully read, acknowledge and understand the terms of the below listed documentation which I/We have been presented with and have had an opportunity to consider. I/We hereby agree that by signing this acknowledgement that I/We will be bound by all terms and conditions contained in the following documents:
1. Professional Corporate Execution only Account Opening Document
  2. Professional 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 us in its entirety and for which we now hereby apply, in addition specifically acknowledge the following:
- Cantor will not be responsible to deem whether an investment service is suitable or appropriate in the context of our investment experience and financial situation.
  - We acknowledge that we will not be eligible to make a claim under the Investor Compensation Act, 1998.
- (c) Should there be a change in our personal circumstances and we no longer deem ourselves able to properly assess or manage the risks involved with our investment decisions as a Professional Client, we will request the higher level of protection offered under the Retail Client category.
- (d) The details provided in the Account Open Document is a complete and accurate record of all information relevant and necessary to allow Cantor to provide an execution only service to the company.
- (e) I/We acknowledge that Cantor will arrange for a nominee account to be opened with Pershing Securities International Limited on behalf of the company.
- (f) I/We have been presented with and have had an opportunity to consider the **Client Asset Key Information Document** and I/We have carefully read, acknowledge and understand the arrangements Cantor have put in place for holding client assets and the risks associated with them.
- (g) I/We have been presented with a current rate card and I/We are aware that any changes to this will be updated to the Cantor Fitzgerald website for my/our reference.

### Client Acceptance

#### DIRECTOR'S/AUTHORISED SIGNATORY'S SIGNATURE

Print Name

Date Signed

  

#### DIRECTOR'S/AUTHORISED SIGNATORY'S SIGNATURE

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

## PART A

Please complete this section if the Declaration is being made by a  
**Company resident in Ireland.**

**Name of Company:** \_\_\_\_\_

**Address of Company:** \_\_\_\_\_

**Irish tax reference number for the Company:** \_\_\_\_\_

- I declare that, at the time of making this declaration, the above-named company is beneficially entitled to the relevant distributions in respect of which this declaration is made, thereby being an "excluded person" for the purposes of *Chapter 8A of Part 6 of the Act*.
- I undertake that, in the event that the above-named company ceases to be an "excluded person", I will, by written notice, bring that fact to the attention of the "relevant person" in relation to the relevant distributions.

**Authorised Signatory:** \_\_\_\_\_ (Declarant)      **Title:** (Mr./Ms. etc.) \_\_\_\_\_

**Print name of Signatory here:** \_\_\_\_\_

**Relationship to the above-named company:** \_\_\_\_\_      **Date:** \_\_\_\_ / \_\_\_\_ / \_\_\_\_

**IMPORTANT:** This declaration must be signed by the company secretary or other authorised officer, or by a person who holds power of attorney from the company. Where appropriate, a copy of the power of attorney should be furnished in support of this declaration.

# 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.



**DUBLIN:** 75 St. Stephen's Green, Dublin 2, Ireland. Tel : +353 1 633 3800. Fax : +353 1 633 3856/+353 1 633 3857

**CORK:** 45 South Mall, Cork. Tel: +353 21 422 2122.

**LIMERICK:** Theatre Court, Lower Mallow Street, Limerick. Tel: +353 61 436500.

**email :** ireland@cantor.com **web :** www.cantorfitzgerald.ie