

## **CACIB GLOBAL MARKETS GENERAL DEALING DISCLOSURE**

The purpose of this document<sup>1</sup> (the “**Disclosure**”) is to disclose the basis of the trading relationship for capital markets activities between Crédit Agricole Corporate and Investment Bank (“**Crédit Agricole CIB**”, “**we**”, “**us**”, “**it**”, “**our**”) when transacting with clients<sup>2</sup> (“**you**”), and to disclose certain aspects of how we handle transactions and manage potential conflicts.

In addition to the Disclosure, you may also have been provided with other documents and disclosures, depending on the nature of the services provided by CACIB. Where we have provided you with other documents and disclosures, you should also read these documents, which are available on the Crédit Agricole CIB website.

This Disclosure is complimentary to, but independent of, any agreement we may have in place with you. By entering into transactions with us, you acknowledge that such transactions are entered into on the basis of the Disclosure, subject to any agreement between us that is specific to the relevant transaction. In the event of any conflict or inconsistency between this Disclosure and any terms provided by you, this Disclosure will prevail.

The Disclosure document may be updated from time to time due to changes in our policies, procedures and controls or due to legal, regulatory or market practice developments.

The Disclosure is not intended to conflict with any law, regulations, rules, orders or decisions (“**Regulatory Requirements**”) or market practice applicable in a relevant jurisdiction and where we act in compliance with such Regulatory Requirements or market practices, we will not be treated as having acted contrary to this Disclosure.

The contents of this Disclosure do not amount to investment, regulatory or legal advice.

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<sup>1</sup> In case of conflict between the terms of this Disclosure and the law, regulations, rules, orders or decisions applicable in a relevant jurisdiction, the latter shall prevail.

<sup>2</sup> Client in the Disclosure means any person who enters into, or who seeks to enter into, transactions with Crédit Agricole Corporate and Investment Bank in respect of any derivative, transferable security, money market instrument, or contract for difference.

Crédit Agricole CIB is committed to upholding a high level of integrity and adhering to published industry best practices. Any question you may have about the information contained in the Disclosure may be addressed to a Crédit Agricole CIB representative.

## **Ethics**

Crédit Agricole CIB strives to behave in an ethical and professional manner to promote the fairness and integrity of the market in acting fairly and reasonably in its dealings with market participants, including clients.

## **Nature of the trading relationship**

When entering into transactions in relation to capital markets activity<sup>3</sup>, Crédit Agricole CIB deals in a principal capacity, meaning we act as an arm's length party to transactions with clients. In this capacity, and unless agreed specifically otherwise between you and Crédit Agricole CIB, Crédit Agricole CIB does not hold itself out, offer or provide clients with investment advice and no statement or representation by us should be considered investment advice or a recommendation to enter into any transaction. Subject to any specific terms in a client agreement between us that is applicable to a transaction, (i) we do not act as agent, fiduciary, or as a financial adviser; and (ii) you are acting for your own account and have not relied on any statement or other representation by us in determining whether to enter into a transaction.

Clients are expected to be able to rely on their own assessment as to the suitability of transactions entered into with Crédit Agricole CIB. You are responsible for performing your own independent assessment of any transaction prior to execution and based on its own facts and circumstances. Crédit Agricole CIB is under no obligation to verify an instruction provided by you and will assume no liability for an instruction provided by you.

Crédit Agricole CIB, when acting as a dealer, puts its own capital at risk and takes the other side of the trade as buyer or seller. In doing so, we enter into transactions in financial instruments with multiple clients that may have competing interests, and we may act for our own account in order to execute risk management transactions. These activities can have an impact on the quotes we propose and the availability of liquidity at levels necessary to execute transactions.

Crédit Agricole CIB generally deals on a request for quote basis and is under no obligation to execute a transaction or provide a quote if requested.

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<sup>3</sup> Capital markets activity in the Disclosure refers to transactions in the primary or secondary market negotiated, arranged and executed with our Global Markets Division.

## General duty to manage conflicts of interest

In view of the trading relationship we have with clients and on the basis that Crédit Agricole CIB acts for its own account, inherent conflicts of interest will exist in the course of doing business. Crédit Agricole CIB has a regulatory obligation to manage conflicts of interest and has a policy, a summary of which can be found [here](#).

## Pre-hedging

Pre-hedging is the act of entering into transactions in the market in anticipation of actual or reasonably expected risk associated with one or more anticipated or actual client transactions, whereby the person pre-hedging intends to achieve an outcome which is more favourable for the client than would have been the case without pre-hedging.

The timing of any pre-hedging can be at any time, up to and including the immediate moment prior to entering into transactions with clients; however such transactions are negotiated, arrived at, or concluded.

All pre-hedging we decide to take is carried out in good faith and on a best efforts basis. Whilst, it is intended to result in a more favourable outcome for clients than without pre-hedging, there can be no guarantee of, or commitment to, a more favourable outcome. Depending on market conditions, pre-hedging can have the direct or indirect effect of negatively impacting the price, rate or liquidity or otherwise adversely affecting the terms of any existing or potential transactions to be entered into with a client in relation to any such securities or derivatives transactions you may enter into with Credit Agricole CIB

Furthermore, seeking to achieve a more favourable outcome for clients does not preclude the possibility that the pre-hedging Credit Agricole CIB undertakes may also, or instead, result in a positive outcome for itself.

Credit Agricole CIB is under no obligation to seek your consent before entering into pre-hedging transactions with clients, nor provide details of any pre-hedging activity after entering into transactions with clients. In the interests of transparency and dealing with our clients fairly, professionally and honestly, any request for information from a client in relation to pre-hedging, however, provided it is explicitly connected to a transaction with Credit Agricole CIB, will be considered on a case by case basis.

[CACIB Pre-Hedging Policy](#) is available on Crédit Agricole CIB Global Markets' website.

## Research and Desk commentaries

Crédit Agricole CIB personnel, including its research department, and sales and trading personnel, may publish views on various subjects and products, which may be subject to change. These views may influence prevailing market conditions, particularly in illiquid markets.

## Information handling

Protecting the confidentiality and security of clients' information is an important part of how we do business. Crédit Agricole CIB has policies, procedures and controls that are designed to ensure confidential information is shared or disclosed on a need-to-know basis, and in compliance with Regulatory Requirements. Crédit Agricole CIB may use information provided to it in order to manage risk and execute transactions. Specifically, unless otherwise expressly agreed, Crédit Agricole CIB may use the economic terms of a transaction (but not the client's identity) as part of the process of sourcing liquidity and/or executing risk management transactions.

In addition, as part of its obligations as a regulated entity, Crédit Agricole CIB also shares client information as required by its global regulators.

With regard to executed transactions, Crédit Agricole CIB may analyse this information on an individual and aggregated basis and may use the information for a variety of purposes, including client risk management, business strategy, sales coverage, and client relationship management.

We may also analyse, comment on, and disclose information regarding executed transactions, as appropriate and on an anonymized basis (except where information regarding executed transactions has previously been publicly disclosed), together with other relevant market information, to third parties, as market intelligence.

We may also use such anonymized and aggregated information in products, services or data that we offer as part of our business.

## Communicating with us

Crédit Agricole CIB relies on the apparent authority of your personnel with respect to communications with us. Communications with Crédit Agricole CIB are deemed to be received once Crédit Agricole CIB or one of its representatives acknowledges receipt. The time between the issuance and the review of your communications with us depends on the communication method (e.g. email, chat function) or trading platform and impacts on the timing of execution. Crédit Agricole CIB will have no responsibility

for any damage, expense or loss incurred due to a failure of a communication method or trading platform.

The valid receipt of a communication from you to Crédit Agricole CIB does not guarantee that such communications are accepted or that orders are filled. Crédit Agricole CIB is under no obligation to accept orders or enter into transactions with clients. Accordingly, where Crédit Agricole CIB proceeds on the basis of your communication, Crédit Agricole CIB shall not remain under any obligation to proceed. Crédit Agricole CIB is under no obligation to verify the content of your communications with us and is not liable for information provided by a client.

### **Quotes and indicative prices**

Unless a price provided by Crédit Agricole CIB to a client is identified as a firm price, that price is indicative only and is an “all-in” price, inclusive of any margin applied to the price at which Crédit Agricole CIB may be able to transact in the market (whether that price has been quoted electronically or by sales, trading or other personnel). In relation to both electronic and voice trading with Crédit Agricole CIB, it is your responsibility to ensure, prior to the transaction being executed, that the price (indicative or firm) and other terms of any transaction with Crédit Agricole CIB are satisfactory.

We generally do not disclose the amount of revenue we earn or expect to earn from a transaction or the components of our “all-in” price, but we require our personnel to be truthful if they have agreed to provide such information. Also, where a transaction or execution instruction is priced or triggered by reference to the market price for a product, we may agree to reference one or more specified sources. Absent such agreement, we will determine the market price in our commercially reasonable discretion, which, depending on the circumstances, may be a bid, offer, mid-market, market-on-close, last-traded, or other price.

### **Pricing factors**

Our pricing varies between clients and is determined at our discretion by taking into account factors and pricing inputs we deem appropriate. These factors and inputs may include, but are not limited to: (i) product type, size, type and direction of the transaction, (ii) market conditions, including market events, visible liquidity, volatility, (iii) available external venue or platform quotations and pricing information, (iv) client credit risk, market risk, funding, hedging costs, capital costs and overhead, (v) applicable legal or regulatory requirements, and/or (vi) client and transaction specific factors. The prices that we offer to you will be commercially reasonable.

The relevant impact of each individual factor upon the price of a transaction will differ depending upon the prevailing market conditions and specific circumstances of that transaction. The way Crédit Agricole CIB prices transactions with clients may also differ depending on whether we are providing quotes and indicative prices, or executing an order. As a result, Crédit Agricole CIB may offer different prices to different clients for the same or substantially similar type of transaction based on the factors above.

### **Reimbursement of fees and taxes**

You will be required to reimburse us for any tax we are required to pay or collect on your behalf or any per transaction fees added to the price of the transaction by a regulatory body or exchange.

### **Transaction confirmation and reporting**

Where applicable, we will provide you with confirmation relating to executed transactions for information purposes only. With respect to automatically generated confirmations for transactions executed through a third party platform, if there is any discrepancy between such automated confirmation and a confirmation provided to you by us, the automated confirmation shall take precedence. Each party to a transaction will be responsible for its own applicable trade reporting obligations and we are not responsible or liable for your reporting obligations.

### **Last look**

Crédit Agricole CIB provides liquidity in the electronic Spot FX trading market by streaming prices via its FX single-dealer platform, Jetstream, as well as third party trading platforms.

When a deal request at a quoted price is submitted in response to Crédit Agricole CIB's pricing, Crédit Agricole CIB may accept or reject the deal request. Indeed, a number of pre-trade controls (incl. credit check for instance) are applied automatically by Crédit Agricole CIB before a trade request is accepted or rejected, one of which is a price tolerance check, otherwise commonly known as 'Last Look'.

For further information, Crédit Agricole CIB's 'Last Look' policy can be found here [Last Look Policy \(ca-cib.com\)](https://www.ca-cib.com/last-look-policy)

## Reference price transactions including benchmarks

We may agree to enter into a transaction with a client based on a reference price which may be affected, positively or negatively, by our activity around the time that the reference price is determined.

## Limit orders

Crédit Agricole CIB may accept a limit order from a client to buy when the market price is at or below a specified level or to sell when the market price is at or above a specified level. When we accept a limit order, we retain discretion to fill the order, regardless of movements in market prices. In circumstances of market volatility and or unpredictability, it may not always be possible to fill an order in its entirety or execute it at the specified limit order price.

Crédit Agricole CIB may elect to manage its own risks in relation to filling a limit order. Therefore, we may execute trades with other participants, including when the market price is close to the limit order price. Crédit Agricole CIB's trading activity could affect market prices making it more or less likely that the limit order will be triggered, and such activity may also affect the final price of the transaction. The final price at which we execute a limit order will be determined at our discretion based on our view of current market conditions.

## Stop loss orders

A stop loss order is an order to sell which becomes an “at best” order (further explained below) when the market price reaches the stop loss order price, Crédit Agricole CIB will determine whether a stop loss order has been triggered based on its assessment of the relevant market.

Crédit Agricole CIB will then seek to fill and execute a stop loss order at the prevailing market price. This may result in the order being executed at a price above or below the specified stop loss order price.

Crédit Agricole CIB may exercise its discretion when filling a stop loss order and delay execution of part of the order if it believes that in doing so it will achieve a better result for the client.

## At best orders

At best orders are orders where Crédit Agricole CIB is given discretion to execute an order at a time and/or price that Crédit Agricole CIB believes is likely to result in the best overall result for the client in terms of likelihood of execution at favourable prices.

Such discretion is carried out with a view to achieving the most advantageous outcome, but we cannot guarantee the result due to moves in the market before, during or after execution.

### **Digital barrier options**

Crédit Agricole CIB is a market maker in derivatives markets, and stands as a principal for client transactions. As an active market participant, Crédit Agricole CIB's options hedging and delta-hedging activities through the normal course of business may impact the market-price, valuation and outcome of clients' options-related structures. This includes Crédit Agricole CIB taking the necessary steps to hedge the risk associated with managing barrier options positions, which may impact the trigger levels of client barriers. To hedge barriers, Crédit Agricole CIB will enter into stop-loss / take-profit transactions that reasonably reflect changes in delta from barrier option positions. This will be done without prior notification to clients. Crédit Agricole CIB may service multiple clients simultaneously, and it is possible that such transactions may unintentionally move the markets.

Crédit Agricole CIB is committed to building a sustainable business. This commitment includes maintaining the highest levels of integrity and treating all of our clients fairly.

If you have questions about this Disclosure, please contact us at [MIFIDenquiries@ca-cib.com](mailto:MIFIDenquiries@ca-cib.com).