

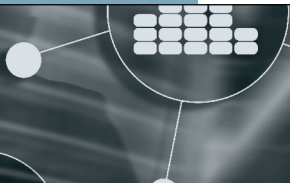


# THE GOLDEN RULES

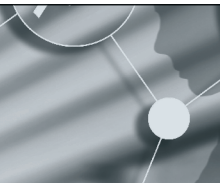
# OTC

MAY 2025

**caceis**  
INVESTOR SERVICES



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## Objective

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This document specifies the rules applicable to the execution and Reception/transmission of orders on behalf of third parties on financial instruments admitted to OTC market.

## Preamble

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Upon joining CACEIS, the employees receive a copy of the internal rules and the code of ethics in force. They must comply on an ongoing basis with the obligations described in these documents and with internal procedures.

Investment services are also regulated by the Autorité des Marchés Financiers (AMF) in France and by other local authorities. The rules applicable to all relevant markets and clearing houses must also be respected at all times.

In particular, the following ethical principles must be applied at all times by operators:

- The authorized service operator carries out its activities with professionalism, diligence, loyalty, fairness, respect for the primacy of client interests and market integrity.
- The communication of all information to clients or prospects should be clear, accurate and not misleading.
- Information barriers must be put in place to avoid risks of a conflict of interest in the context of the circulation and use of inside information and to facilitate the management of possible conflicts of interest.
- Execution of orders on behalf of third parties are ensured in the client's best interest.
- The execution of orders on behalf of third parties is performed by taking care of providing clients with the best possible execution, taking into account client's requests, the OTC market and the financial instruments involved.
- Operators shall ensure before processing a transaction, that the concerned financial instruments are not on a restricted list.

All employees authorized by CACEIS to provide investment services, regardless of their geographical location or type of activity, must also be professionally certified by the AMF under the conditions set out in the specific procedure.



## **A Before start**

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### **1. COMPLY WITH APPROVALS AND INTERNAL PROCEDURE OF CACEIS BANK AND LOCAL CACEIS BRANCH**

- The only authorisations exercisable by a Trader are those for the Reception and transmission of orders (RTO), Execution of orders on behalf of third parties and trading for own account.
- Therefore, ensure that your conversations and actions on the OTC market are not qualified as investment advice or portfolio management on behalf of third parties

To this end:

- Avoid to use words that could be understood as advice or investment decision making
- Before placing the order, ensure systematically that you have a clear and complete instruction from your client.
- Furthermore, in accordance with the “prevention and management of conflicts of interest” group procedure, any employee shall refrain from disclosing to a client(s) inside or confidential information of which he or she is aware about another client(s) or orders from a client.

### **2. KNOW YOUR CUSTOMERS, AS WELL AS THE MARKETS AND REGULATORY AUTHORITIES**

- Know your clients’ execution profile, their order types, how they pass them, their habits, their authorised persons, etc.
- Know the Rules and Obligations related to the Markets in which you are involved, and the relevant Market Authorities. Keep in mind that you are acting on Regulated Markets, which as such are monitored.
- In any case, all communication with a Market Authority must be carried out in coordination with the Compliance department.

## **B The reception/transmission of orders by voice**

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### **3. MAKE SURE THAT YOUR INTERLOCUTOR HAS THE AUTHORISATION TO TRANSMIT AN ORDER TO CACEIS**

### **4. RECEPTION OF AN ORDER**

Make sure that the instruction includes all the characteristics necessary for an order to be entered in the order book or dealt OTC. Repeat them to the order giver. For example, a derivative order, must include at least the following information: direction, quantity, contract, maturity (month/year), price.



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## 5. ORDER CONFIRMATION

When you confirm an execution, do it in a clear and intelligible manner. Be explicit *i.e.* say **'Buy'** or **'Sell'**, the number of lots, price and if possible the underlying asset and maturity.

Upon confirmation of the execution of an order, ensure that the client acknowledges receipt of the confirmation you have just given to him.

## 6. REQUEST FOR THE CANCELLATION OF AN ORDER

Before responding positively to a request for the cancellation of an order, please check whether it has not already been executed in the meantime. Make sure that the order you are going to cancel corresponds exactly to the order which is the subject of the request. Answer only after the cancellation is effective. Make sure the cancellation is properly registered in the tools used by Front Office to ensure the quality of the audit trail.

## 7. SPEAK DISTINCTLY AND IN AN INTELLIGIBLE MANNER, LIST AND CLARIFY

When you receive or place an order, use the appropriate terms which are recognised by the Market Authority. Be particularly vigilant when you have to handle orders with similar characteristics (quantity, prices, etc.). When you are dealing with figures (or words) whose pronunciation may give rise to confusion, always spell out each letter/ figure. In case of litigation, the conversation must not be open to any misinterpretation.

## **C Other order reception/transmission channels (instant messaging, etc.)**

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## 8. THE SAME RULES APPLY

- Comply with the relevant internal procedure
- When using an electronic messaging system or instant messaging *via* Bloomberg, you communicate as if you were talking. As such, the 'Golden Rules' apply in the same way. Use clear, professional and comprehensible language. Avoid the language shortcuts. If there is any ambiguity, seek to clarify it. When you confirm execution to the customer, please write in all letters **'Buy'** or **'Sell'** and repeat the order's main characteristics (quantity, product, price, maturity). Please always ensure that the client acknowledges receipt of your execution confirmation. If needed, make an follow-up call with the client.



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## 9. NON-RECORDED COMMUNICATION CHANNELS ARE PROHIBITED FOR THE PROVISION OF INVESTMENT SERVICES

- The use of mobile phones is prohibited within the Trading Room. Only authorized communication channels which are registered have to be used.

## 10. “MULTI DEALERS CHATROOMS” ARE PROHIBITED

As a reminder, the use of “multi dealers chatrooms” is prohibited. In the framework of the desk activity, an operator can exceptionally request their use to the desk manager and to the Group and local Compliance which will analyse the need before giving authorisation or not. The request should be justified.

## **D** The placing of orders in the trading stations

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## 11. KNOW YOUR PLATFORMS (I.E. KONDOR, 4SIGHT, NITRO)

Make sure you know all basic functionalities of your working tools (Platforms, Macro, etc.). To do so require up to date **documentation** and **training** from the relevant departments. In case of new version update or the installation of a new platform from a new vendor, please **contact** the IT support department if you have any doubt about their use and/or any new functionalities. Keep abreast of the reference/release number of the station you are using, and the ‘bugs’ identified on it. When installing a new version or resetting linked to technical changes on the Market side, make sure that your local personal parameters (warning thresholds, etc.) have not been changed.

### **BE PRECISE**

Ensure that orders are correctly entered into your Trading platforms. Keep in mind limit orders and stop orders that you entered, to ensure that they are properly executed if the market reaches the limits and thresholds in question.

## 12. NEVER RE-ENTER ORDERS WHOSE EXECUTION STATUS IS UNCERTAIN, OR THAT YOU CANNOT CHANGE OR CANCEL

In such cases:

- NEVER re-enter the order
- Instead, REPORT the problem immediately to your manager
- And WAIT until one confirms the exact status of your initial order before deciding whether to enter a new order.



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### **13. PERMANENT ORDERS FOR SECURITIES FINANCE ACTIVITY**

For Securities Lending check every morning that you get a daily order from the client for all French Asset Managers that have delegated their securities lending activities to CACEIS. Identify precisely securities that can be lent. For all the others Asset Managers (French excluded), ensure a regular communication (monthly) on the terms agreed with the customer concerning the lendable securities portfolio, the collateral accepted and, if applicable, the associated restrictions.

The purpose is to avoid a requalification as financial delegation, investment service for which CACEIS does not have any approval.

### **14. RESPECT OF BEST EXECUTION**

Except for a specific order from the client, the Operator should always execute orders in compliance with the execution criteria set in the CACEIS Group policy related to **Best Execution**.

## **Security**

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### **15. ACCESS TO THE TRADING ROOM:**

Access to the Trading Room is reserved for employees who have a clearance granted by the Facilities Management of CA Indosuez and the Global Head of Market Services *via* their badge.

Any non-authorized person may not have access to the Trading Room in order to guarantee the confidentiality of information and prevent fraud.

**The Trading Room's access door is securitised by a badge entry system and must remain closed.**

### **16. USE OF PLATFORMS**

Except in exceptional cases subject to the compliance approval, it is prohibited to use the trading platform of another front office staff.

### **17. LOCKING AND EXTINCTION OF STATIONS**

Lock your platform systematically when you step away of it for some time. Shut it down at the end of the day.

### **18. PRESERVE THE CONFIDENTIALITY OF YOUR LOGIN PASSWORDS**

In order to protect you and CACEIS against fraud, it is crucial to respect basic IT security rules, such as the confidentiality of passwords. Proceed with the modification of your platform's password on a regular basis.



## 19. ACCESS BY OPERATORS TO THE TRADING ROOM OUTSIDE NORMAL PERIODS

The access to the Trading Room by one of its operator is prohibited outside the normal activity period. In case of emergency or need which must be justified, the access to the Trading Room may be authorised only if you have previously sent an e-mail to your manager (copy local Compliance) explaining the reason of the emergency or the need to access to the Trading Room and the expected duration.

## **F** Control procedures and reflexes

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## 20. CHECK TRADING PROHIBITIONS/RESTRICTIONS OF CRÉDIT AGRICOLE SA AND CACEIS GROUP

Before accepting an order, you are invited to verify that securities are neither concerned by a restriction/prohibition of trading (issued by CACEIS or by Crédit Agricole SA) nor by a buyout offer. In case of doubt, you must contact your manager or the local Compliance.

## 21. ELECTRONIC ALLOCATION

Each Trader is responsible for capturing the allocation of orders in the system. The information entered will be automatically reconciled with the flow of execution obtained from the Market. In case of an allocation correction, make sure that the allocation is taken into account by the Middle and Back-office departments.

**Only authorised operators can modify input orders in the trading platforms.**

## 22. CHECK WITH YOUR CLIENT AND RE-CHECK WITH YOUR COLLEAGUES

Check all details of orders and executions with your clients as early as possible during the trading day and of course before leaving the office! **Never assume that... Always re-check!** Please also pay attention, as far as possible, to what is happening on other desks.

## 23. NOTIFY AND ESCALATE THE INFORMATION

When an **error** occurs, immediately inform your Manager, including the corresponding **open positions** if any, as well as relevant details/questions to assess the **urgency** of the situation. Respect the **error procedure** (please refer to operational procedure). The treatment and outcome of an error are in all cases important, regardless of the financial result (positive, negative, or zero). **Any cancelled trade must be duly justified and documented.**

All errors must be entered in Matrisk by the end of the day.



## 24. INCIDENT AND DEFICIENCIES

Any incident including a negotiation error must be the subject of a Matrisk report. In addition, according to the procedure, all non-compliance deficiencies need to be escalated to the Compliance Department. Any operator finding a modification of trading data by a third person (e.g. IT) and which has not been duly authorised, should immediately declare an incident (Matrisk form) and inform his or her manager, local Compliance Management and Risks Departments.

Telephone calls made by trading room operators must be recorded. If an operator detects recording failure, he must immediately report it to IT, declare an incident (create Matrisk) and inform his manager and the local Compliance as well.

Operators commit themselves to not processing clients' orders with another channel. A follow-up of operations should be implemented in order to notify Back and Middle-Office services of trades post-market processing.

## **G** Market rules knowledge

### 25. BEWARE OF OPERATIONS THAT CAN BE CONSIDERED AS WASH TRADES

The regulation prohibits carrying out simultaneous buying and selling transactions at identical prices or volumes on the same instrument for the same beneficiary because this is comparable to a wash trade.

In the event that this type of order is received, 2 elements must be verified with the order giver beforehand:

**1.** are the beneficiaries of these transactions different?

*If the beneficiary is the same on the buy and on the sell side (i.e. allocations for the same fund) the transaction cannot be accepted by CACEIS.*

**2.** what is the economic rationale for these transactions?

These elements will have to be obtained on **recorded media**.

### 26. THRESHOLD CROSSING REPORTING

As defined in CACEIS procedure, a threshold crossing appears when any person or entity, except the offer's initiator, increases alone or with others, the number of shares it holds by at least 2% of the targeted company's share capital.

Group and local Compliance of CACEIS and Compliance of Crédit Agricole SA should be informed of the occurrence of any threshold crossing. In such circumstances, they do decide to proceed to a threshold crossing reporting to AMF/CSSF or not.



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## H Market abuse regulation

### 27. COMPLIANCE REPORTING

The detection and reporting obligation to the AMF and local regulator relates to three types of behaviour (see *Appendix for definitions*):

- Price manipulation
- Insider Trading
- Dissemination of misleading information

The fight against market abuse is based on the knowledge of employees, which is a central element of the system for detecting market abuse.

Because of their knowledge of customers and markets, front office employees are able to detect 'abnormal' transactions and report them to the Compliance Department *via* the **dedicated form**. They must provide factual and objective information.

The declarant in good faith shall not be held liable for the declaration he has made.

### 28. COMPLIANCE WITH REINFORCED SENSITIVE STAFF TRANSACTION RULES

Among the "Persons concerned" defined in CACEIS procedure "Monitoring of personal account dealing so-called "Personal transactions" " available on Omnia are in particular persons who, by their functions as operators in CACEIS Trading rooms, should have access to inside information or other confidential information related to transactions carried out within the framework of one of the following investment services: order execution for third parties, Reception and Transmission of Orders (RTO), dealing on own account (including for CACEIS' treasury). As a trading room operator, you are classified as "Reinforced Sensitive".

As a Reinforced Sensitive employee, which transactions are allowed? Which ones are prohibited to you?

CATEGORIES OF STAFF / FINANCIAL INSTRUMENTS	EQUITIES	BONDS* (EXCEPT GOV. BONDS)	GOVERNMENT BONDS	UCIS (UCITS-AIFS...)	EMPLOYEES SAVING PLAN	CASA FIN. INSTRU*	ETF*	SPOT FOREX	INDEX DERIVATIVES	OTHER DERIVATIVES
<b>SENSITIVE REINFORCED</b>	<b>X</b>	<b>X</b>	✓	✓	✓	<b>X</b>	✓	✓	✓	<b>X</b>

\* Financial instruments listed on a regulated market, a MTF or an OTF

Personal transactions carried out within the framework of a portfolio management mandate (if only there is no communication between the portfolio manager and the person concerned or the person on whose behalf the transaction is carried out prior to the conclusion of the transaction) and salary transactions are authorized.



You must make the transaction reports, except in exceptional circumstances (with the agreement of the Compliance Department), within a maximum of 5 trading days following the date of the execution of the order, through the intranet tool (the “Compliance Base”) made available to the Relevant Persons.

On a regular basis, the Compliance Department checks the transactions declared by the Concerned Persons.

Non-compliance with the system by Relevant Persons may lead to various measures, including sanctions taken by the HR of the entity to which the Relevant Person is attached, in accordance with the provisions put in place within CACEIS (code of ethics, internal regulations, etc.) and CACEIS Group procedures “General ethical obligations” and “Control of the CACEIS group compensation policy”.

The Compliance Department may grant individual waivers to the rules previously set in the event of specific and justified personal circumstances and prior to the execution of the transaction. All transactions carried out within the framework of a waiver must be declared in the compliance database.

## **29. IMPLEMENTATION AND COMPLIANCE OF RULES RELATING TO RESTRICTIONS/PROHIBITIONS LISTS ISSUED BY CRÉDIT AGRICOLE S.A.**

Crédit Agricole S.A. Compliance provides the concerned CACEIS departments with restrictions/prohibitions lists regarding to some issuers.

These lists (of restrictions/prohibitions) relate to own-account activities. Once these lists are communicated, the rules must be immediately implemented in order to comply with the requirements.

## **30. WHISTLEBLOWING**

As part of its program to prevent unethical, criminal and criminal behavior, CACEIS employees who are unable to report potential incidents as part of the “standard” reporting process (due to fear of reprisals, pressure from management, involvement of management, etc.) may exercise their right to whistleblow *via* the BKMS platform in order to protect the company’s interests.

The exercise of the right to alert must be done in a disinterested manner and in good faith.

The BKMS platform guarantees the confidentiality of the author of the report, the facts and the persons concerned.

The information contained is encrypted and stored in an independent secure environment. The tool allows the whistleblower to expose the facts and to exchange with the referent in charge of processing the alert (*via* a protected dialogue box) while protecting the identity of the whistleblower.

Access to the platform at any time and from any place using the following link:

**[www.bkms-system.com/Groupe-Credit-Agricole/alertes-ethiques](http://www.bkms-system.com/Groupe-Credit-Agricole/alertes-ethiques)**

# Appendix

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## IS PRICE MANIPULATION

- 1.** A transaction, an order or any behaviour:
  - Gives or is likely to give false or misleading indications with regard to the offer, demand or price of a Product (MAR, art. 12.1. a (i)),
  - Which fixes or is likely to fix at an abnormal or artificial level the price of one or more Products (MAR, sect. 2.1. a (ii)).
- 2.** A transaction, order, activity or behaviour that influence or is likely to influence the price of one or more Products by using fictitious processes or any other form of deception or artifice (MAR, art. 12.1. (b)).
- 3.** The fact that one or more persons acting in a concerted manner have a dominant position in the supply or demand of a Product, with the effect, real or potential, of direct or indirect fixing of purchase prices or sales prices or the creation, real or potential, of other unfair conditions of transaction (MAR, art. 12.2. a).
- 4.** Buying or selling financial instruments at the time of market opening or closing with the effect, actual or potential, of misleading investors (MAR, art. 12.2. b).

## INSIDER FAILURE MEANS (MAR, ART. 8)

- The use of inside information by acquiring or disposing of, or attempting to acquire or dispose of, for its own account or for the account of others, either directly or indirectly, the financial instruments to which that information relates (MAR, art. 8.1).
- The use of inside information to cancel or alter an order concerning a financial instrument to which that information relates, when the order had been placed before the person concerned held the inside information, is also deemed to be an insider trading (MAR, art. 8.1).
- The recommendation or encouragement to another person to engage in an insider trading occurs when the person who has inside information recommends on the basis of that information:
  - That another person acquires or sells financial instruments to which that information relates, or incites that person to make such an acquisition or assignment; or
  - That another person cancels or modifies an order relating to a financial instrument to which that information relates, or incites that person to make such a cancellation or modification (MAR, art.8.2).
- Unlawful disclosure of inside information to another person outside the ordinary scope of his or her work, duties or profession (MAR, art. 10).
- Subsequent disclosure of recommendations or incentives based on inside information constitutes unlawful disclosure of inside information, where the person who issued them knows or should know, that they were based on inside information (MAR, art. 10).



## MISLEADING INFORMATION DISSEMINATION

*Is the dissemination of false information or misleading information because of:*

- Disseminate information, by any means, that gives or is likely to give, false or misleading indications with regard to the supply, demand or price of a Product, or sets or is likely to fix the price of one or more Products at an abnormal or artificial level (MAR, art. 12.1 (c)).
- Spreading rumours, through the media or by any other means, when the person who carried out such dissemination knew or should have known that such information was false or misleading (MAR, art. 2.1 (c)).
- Transmit or provide false information about a Reference Index when the person who transmitted such information knew or should have known that it was false or misleading. Any other behaviour that manipulates the calculation of a benchmark (MAR, art. 12.1 (d)).