

DRAFT I

Concorde Investments Ireland Ltd Client Asset key Information Document

Concorde Investments Ireland Ltd ("CII" or the "Firm") is required under the Central Bank (Supervision and Enforcement) Act 2013 (Section 48 (1)) (Investment Firms) Regulations 2017 (the "Regulations") to disclose to its clients in advance of signing any investment agreement, a copy of its Client Asset Key Information Document ("CAKID"). We refer to the Central Bank of Ireland's website for information on client assets and related requirements.

1. Key Features

The Regulations set out the following seven principles which CII must adhere to:

Segregation: All client assets must be held separately to the assets of CII, and accounting segregation must be maintained between CII's own assets and client assets.

Designation and Registration: CII must ensure that client assets are clearly identifiable and distinguished from its own assets in internal records and in the records of third parties.

Reconciliation: CII must keep accurate books and records to enable it at any time, without delay, to provide an accurate record of the client assets held by CII for each client, and the total held in the client asset account(s).

Daily Calculation: CII must undertake reconciliations on a daily basis to ensure that the aggregate balance on its client asset bank account (client money resource) as at the close of business on the previous working is equal to the amount it should be holding on behalf of its client (client money requirement).

Client Disclosure and Consent: CII shall provide information to clients in a way which informs the client as to how and where their client assets are held, and the related risks. Disclosures to the client shall be set out clearly and concisely in English in

- A written Terms of Business
- Client Asset Key Information Document (CAKID) [currently in development]
- Annual Statement

Risk Management: CII must have systems and controls in place to ensure that appropriate systems and controls are in place to identify risks in relation to client assets and that mitigants are put in place to counteract these risks, including as set out in this CAMP.

Client Asset Examination: CII has appointed an external auditor, O'Connor Sheedy & Co to carry out on at least an annual basis a client asset examination to assess the protections and mitigants put in place by the Firm to safeguard client assets.

2. What Constitutes Client Assets

Client assets, as defined by the CBI guideline, are composed of client funds and client financial instruments.

Client funds will be any monies received from, or held on behalf of, a client by CII to which the client has a beneficial interest. This may include electronic fund transfers and cheques or any part of monies constituting client funds, when received together with funds of any other type.

Client financial instruments will be any financial instruments as defined by SI_375_of_2017_European_Union_Markets_in_Financial_Instruments_Regulations_2017 held by CII on behalf of a client in a pooled designated client asset account. CII intends to provide these services mainly in relation to units in collective investment undertakings, transferable securities and money market instruments for which the Firm is authorised.

The value of your investments are not regulated by these regulations.

3. When the Regulations will not apply

The following are not considered client assets:

- Money received by CII from or on behalf of the client do not relate to a regulated financial service;
- Full ownership of client assets is transferred to CII for the purpose of securing or otherwise covering present or future, actual or contingent or prospective obligations;
- A cheque received by CII, or other payable order, made payable to a third party, which is directly transmitted to the third party;
- A cheque or payable order received from the client is not honoured by the relevant credit institution;

4. When the Regulations cease to apply

Client assets will cease to be client assets when:

- Client funds paid or transferred to the client, either directly into an account with an eligible credit institution or a relevant third party in the name of the client.
- Client funds paid or transferred to a third party on the written instruction of the client, and are no longer under the control of CII.

5. CII and client assets

CII will not trade on its own account and will not hold any client assets at CEP.

6. Arrangements for holding client assets.

CII has engaged Citibank Europe Plc. ("CEP") as an eligible credit institution with which to hold client assets. CEP is authorised by the Central Bank of Ireland as credit institution (Central Bank Registration No.: C26553), with its registered address at 1 North Wall Quay, Dublin 1, and is subject to supervision by the Central Bank of Ireland.

CII will hold client assets in pooled designated client asset accounts clearly named "Concorde Investments Ireland Ltd client asset account" with CEP to distinguishing it from any account the Firm may hold in its own name. The pooled client asset account held with CEP will be an omnibus account. The pooled client asset account will be physically segregated from any financial assets of CII. For the avoidance of doubt CII will not hold an account in its own name with CEP.

CII will hold client funds in a pooled designated client funds account, physically segregated from funds of CII. In case of client funds account, the pooled client asset account held with CEP will be an omnibus account. For the avoidance of doubt CII will not hold an account in its own name with CEP.

CII maintains records which identify the amount of client assets relating to each client within the pooled account.

7. Risks associated with these arrangements

CII endeavours to eliminate or mitigate against any risk to your client assets. Set out below are the key risks identified by the Firm which may have an impact on CII's objectives, processes and policies in respect of holding and safeguarding client assets:

Operational risk: Risk to a client's assets as a result of the failure to have in place robust policies and procedures and failing to follow those policies and procedures.

Risk of Fraud: Loss of client assets through fraudulent actions of employees and misappropriation of a client's assets. The Firm has in place senior controlling functions i.e. HCAO, Head of Risk, CFO, Head of Compliance who will each independently have oversight responsibilities associated with their roles. On the

basis of proportionality, the Firm's processes and controls will be sufficiently robust to identify issues or potential issues. The Firm will provide training in this area (and across all aspects of the business). The Firm also assesses the conduct risk associated with its business.

Counterparty risk including jurisdiction and associated legal risks: Counterparty risk is the risk that the counterparty will not live up to its contractual obligations the counterparty withdraws its services or fail to deliver.

To mitigate against these risks CII has in place documented arrangements with CEP and this relationship is monitored regularly by CII. Further CII has in place robust, documented procedures which are reviewed and monitored regularly. CII has appointed an independent third party client asset auditor to audit its policies and procedures at least annually.

8. Additional Information

CII will maintain a copy of the CAKID on its website [insert] and any changes to the CAKID will be available on the website.

CII will review this CAKID at least annually to ensure that it is clear, accurate and not misleading.

[Date]