

# COWEN

## COWEN EXECUTION SERVICES LIMITED

### REGULATORY DISCLOSURES DOCUMENT - CORPORATE FINANCE BUSINESS

We are required by our regulator, the Financial Conduct Authority, to provide you with certain details about our business, how we are regulated and how we will interact with you. There are also certain matters of a legal nature that we must disclose. This document contains a number of the regulatory and legal disclosures that we are required to provide, and it should be read in conjunction with any other terms that we agree with our clients, including the engagement letter and any associated side letters. This document will be updated from time to time.

#### 1. Information about Cowen Execution Services Limited

Cowen Execution Services Limited (“CESL”), with registered address 1 Snowden Street, London EC2A 2DQ, is authorised and regulated by the Financial Conduct Authority (the “FCA”) under registration number 472780. Contact details for CESL are set out below. The address of the FCA is 12 Endeavour Square, London E20 1JN.

#### 2. Defined terms

“**Affiliate Company**” or “**Affiliated Companies**” means, in relation to CESL, any entity directly or indirectly controlling or controlled by, or under direct or indirect common control with CESL.

“**Applicable Law**” means the laws and rules in the United Kingdom or elsewhere, including but not limited to, acts, regulations, the FCA Rules or other similar regulatory rules or handbooks; governmental, regulatory and self-regulatory organisation rules; rules of execution venues and clearing houses; and customs (except as modified herein), that are in effect from time to time.

“**FCA Rules**” means rules and guidance of the FCA from time to time as set out in the FCA’s Handbook, as amended from time to time.

#### 3. Recording of Conversations

In order to comply with Applicable Law and internal compliance policies, CESL may in its absolute discretion record, monitor and retain all communications, including email, telephone conversations and other Communications with the Client and may record telephone, mobile phone or other mobile handheld Communications device based conversations between the Client and CESL’s employees.

#### 4. Conflicts of Interest

(a) CESL is continuously working on preventing and managing conflicts of interest that may arise in CESL’s business. A summary of the policies and procedures that CESL has in place for identifying, preventing, minimising and managing conflicts of interest is set out in CESL’s Conflicts of Interest policy which is available in Schedule 1.

(b) CESL and its Affiliated Companies provide services and maintain positions in a wide range of products, whether as a result of trading activities requested by

# COWEN

clients or counterparties, or as part of a hedging strategy in reasonable expectation of near-term demand. CESL's Affiliate Companies may also have an interest or arrangement that is material to a transaction effected with or for the Client. These activities may give rise to a conflict of interest.

## 5. Third Party Remuneration and Inducements

- (a) CESL may receive remuneration from Affiliated Companies and provide remuneration to its Affiliated Companies in the ordinary course its business, such as when CESL introduces clients to an Affiliate Company or an Affiliate Company introduces clients to CESL. Such introduction fees may be paid or received by CESL on an ongoing basis only if permitted under Applicable Law.
- (b) Any arrangements concerning third party remuneration and inducements shall be set forth in an agreement between CESL and the relevant Affiliated Companies. CESL agrees to provide to the Client upon request information regarding any commission or other form of remuneration it or its Affiliated Companies receive in connection with services provided to the Client or transaction(s) executed on behalf of the Client. CESL, as a MiFID firm, will only accept third party commissions when these provide a benefit to you, the Client. We will disclose such commissions to the Client in advance of their receipt.

## 6. Complaints and Compensation

In the event that the Client is dissatisfied with the service it receives from CESL or any Affiliate Company, the Client should make its complaint in writing to the Compliance Officer of CESL at the address below, including as many details as possible. CESL participates in the Financial Services Compensation Scheme. The Client may be entitled to compensation from the scheme if CESL cannot meet its obligations. Whether the Client enjoys protection from the Financial Services Compensation Scheme will depend on the type of business that the Client carries out and the circumstances of the claim. This means that professional clients and eligible counterparties may not be eligible claimants

## 7. Data Protection

CESL is acting as data controller in relation to any personal data, as that term is defined under Data Protection Laws, which the Client provides to CESL. For the purposes of this document Data Protection Laws include the retained EU version of the General Data Protection Regulation and the Data Protection Act 2018 as amended. CESL and the Client shall comply with all Data Protection Laws when processing personal data arising out of this Agreement. Where personal data is shared by the Client with CESL, the Client shall ensure such disclosure is in compliance with all Data Protection Laws and that there is no prohibition or restriction that could: (a) prevent or restrict it from disclosing or transferring the personal data to CESL; (b) prevent or restrict CESL from disclosing or transferring personal data to an Affiliate Company, competent authorities or for any other purpose which will enable CESL to provide the Services; (c) prevent or restrict CESL and any Affiliate Company from processing the personal data for the purposes set out in the Contract and in Schedule 2 to this Annex. If the Client shares personal data with

# COWEN

CESL, the Client shall ensure that it has provided a fair processing notice informing the data subject of CESL processing of such personal data as described in Schedule 2 to this Annex.

## 8. Client Money

Fees received by CESL that are due and payable by the client will not be classified as Client Money, as defined under FCA rules and will not be treated as such. In the event that the client makes an overpayment of fees to CESL, CESL will rely on the client to provide account details promptly, such that the overpayment of fees may be returned to the client at the earliest opportunity.

## 9. Notices and Communications

- (a) All notices by either CESL or the Client shall be sent by overnight mail or delivery service (return receipt requested), to the other Party at its address. Any Party may by notice to the other change the address at which notices or other communications are to be given to it. Any notice shall be effective upon the receipt thereof by the Party to whom it is sent. All notices and communications must be in English.
- (b) Notices and communications shall be sent to: (1) if to CESL: Cowen Execution Services Limited 1 Snowden Street London, EC2A Email: michael.page@cowen.com for the attention of the Chief Operating Officer (2) if to the Client, CESL will use the address and contact person that was most recently received from the Client to communicate with or make notifications to the Client.

# COWEN

## Schedule 1 Conflicts of Interest

CESL and its Affiliated Companies provide services and maintain positions in a wide range of products, whether as a result of trading activities requested by clients or counterparties, or as part of a hedging strategy in reasonable expectation of near-term demand. CESL's Affiliated Companies may also have an interest or arrangement that is material to a transaction effected with or for the Client. These business activities have the potential to result in CESL or its Affiliated Companies having an interest that diverges from that of the Client.

CESL maintains and operates effective organisational and administrative arrangements and is committed to taking all appropriate steps to identify, monitor and manage conflicts of interest. CESL has arrangements in place to:

- identify circumstances which may give rise to conflicts of interest with the potential to result in material risk of damage to customers' interests;
- establish appropriate mechanisms and systems to mitigate and manage those conflicts; and
- maintain systems designed to prevent identified conflicts of interest from resulting in damage to customers' interests.

The Client accepts that CESL and its Affiliated Companies may have interests which are material in relation to any order or transaction, and which give rise, or have the potential to give rise, to a conflict of interest. Further, CESL and its Affiliated Companies may have multiple clients with conflicting interests in relation to any order or transaction. Without limiting the nature of such interests, examples include where CESL or its Affiliated Companies could be:

- providing services to other clients where such clients may have an interest in the investments, related investments, or assets underlying the investments which conflict with the Client's interests;
- dealing in the investment, a related investment or an asset underlying the investment for CESL's or an Affiliate Company's principal account, or another Client's own account;
- providing Investment Banking services such as financial advisory, lending, underwriting or otherwise participating in the issuance of a financial instrument, to a company whose financial instruments are the subject of the Client's transaction.

### Management and Disclosure of Conflicts of Interest

Any identified conflicts of interests will be managed by CESL to prevent such conflicts from adversely affecting the interests of clients. Where the measures undertaken by CESL are unable to prevent adverse effect from arising in relation to any clients' interests, CESL will notify the relevant client of the nature or source of the conflict and the measures taken to mitigating the risks before CESL carries out any business on behalf of the relevant client. Such disclosure will be used as a last resort. In the event that a conflict cannot be managed or prevented, CESL may decline to act on the client's behalf.

# COWEN

## Policies and Procedures

CESL has adopted numerous internal policies and procedures, often set out in its internal procedures manuals, in order to manage the potential conflicts of interests that it has identified.

The policies and procedures have been designed to ensure that CESL has taken all reasonable steps to protect the interests of its customers. CESL provides training to its staff in respect of the CESL procedures for identifying, managing and escalating conflicts. All staff are made fully aware of their responsibilities under the relevant policies and procedures to ensure that customers are treated fairly.

These policies and procedures are subject to CESL's normal oversight processes to identify, manage, control, monitor and review conflicts of interest. The policies and procedures include:

*(a) Conflicts policy including conflicts register*

CESL maintains a conflict of interest policy which ensures that staff can identify, escalate and mitigate any conflicts of interest which are identified. In particular, internal procedures define and identify conflicts. This is complemented by a conflicts register, which is presented to the board on a regular basis for oversight and approval.

*(b) Integrity and Standards of Conduct*

CESL insists that, in its dealings with customers, its staff must use the highest standard of integrity in their actions at all times. CESL's monitoring and training programmes are designed to ensure that all relevant staff are familiar with and observe, inter alia, the FCA Principles for Businesses, the Statements of Principle and Code of Practice for Approved Persons.

*(c) Personal Account Dealing ("PAD") and Outside Business Activity*

CESL has a policy on PAD and the rules are signed off as understood by all relevant employees regardless of their position within CESL.

The PAD procedures require pre-approval by the relevant business head and notification to CESL's Compliance Officer and all staff are required to annually attest to PAD holdings and annually report any outside business investment activity to the Compliance Officer.

All staff are regularly reminded of the PAD rules.

*(f) Inducements to Employees from Customers*

CESL employees are not permitted to receive gifts, entertainment or any other inducement that may incentivise the favouring of one Client over another; or incentivise the employee to act in a way which may conflict with the interest of CESL, its Affiliates, the Client, or a third party. CESL maintains a policy which limits the value of gifts or entertainment an employee is permitted to receive, although the policy does not preclude an employee accepting reasonable corporate hospitality, provided it is not excessive and does not result in a conflict of interest for the employee.

# COWEN

Employees are not permitted to receive any other form of inducement whether monetary or non-monetary which might benefit (or have the perception of benefitting) one customer at the expense of another when conducting investment business.

*(g) Inducements to Customers from Employees*

CESL employees are not allowed to place pressure upon customers to persuade their customer to act through the firm to the extent that this might give rise to a conflict of interest between that customer and its own underlying customers.

*(i) Information Barriers*

CESL prevents the flow of information where the interests of customers of one business function may conflict with the interests of customers of another business function. This includes using a separate network with no shared systems and customer data access between the two business functions. Further, CESL insists on strict customer confidentiality to ensure that information is disclosed only to those entitled to receive it.

*(j) Remuneration Policy*

All relevant staff that are open to a conflict of interest are paid a basic salary including Compliance. This salary is not dependent on company performance. A bonus structure does exist which is linked to company performance, team performance or the individual's performance but the structure does not contain performance targets or bonus arrangements that are tiered in a fashion that might incentivise an employee to take inappropriate risks on a client's behalf. The bonus structure is at the discretion of the senior management and notified only on payment.

CESL is subject to both SYSC 19A and SYSC 19F in respect of remuneration and applies such remuneration codes accordingly to ensure that conflicts of interest are mitigated.

*(k) Disclosure*

Where there are no other means of managing the conflict or where the measures in place do not, in the view of CESL sufficiently protect the interests of customers, the conflict of interest will be disclosed to customers to enable an informed decision to be made by the customer as to whether they wish to continue doing business with CESL in that particular situation.

*(l) Declining to Act*

Where CESL considers it is not able to manage the conflict of interest in any other way it may decline to act for a customer.

# COWEN

## Schedule 2 Data Protection

### Notice to Data Subjects

In providing the Services to the Client, your personal data such as contact details, email address, phone numbers, passport, residency history, employment history, NI number, DBS check, (this is not an exhaustive list), may be disclosed to CESL to enable them to communicate with you to perform the “Services”. CESL has a registered address at 1 Snowden Street, London, EC2A 2DQ and will be the data controller of your data for these purposes.

### Purposes of Processing and Legal Basis for Processing

CESL may process your personal data for the following purposes:

- to contact and interact with you to perform its obligations under the contract with the Client;
- to carry out anti-money laundering and terrorist financing checks and related actions which we consider appropriate to meet any legal obligations imposed on us, or where the processing is in the public interest, or to pursue our legitimate interest to prevent fraud, bribery, corruption, tax evasion and to prevent the provision of financial and other services to persons who may be subject to economic or trade sanctions on an on-going basis, in accordance with our anti-money laundering procedures;
- to monitor and record calls and emails to comply with our legal and regulatory obligations and for investigation and crime prevention purposes, and to enforce or defend our rights, or pursue our legitimate interests in relation to such matters;
- to report tax related information to tax authorities in order to comply with a legal obligation;
- to monitor and record calls for quality, training, analysis and other related purposes in order to pursue our legitimate interest to improve service delivery;
- to provide you with information about our products and services that may be of interest to you; and
- to provide information to you regarding any changes to our service.

### Recipients of Data and International Transfers

We may disclose your personal data as follows:

- to our Affiliate Companies for the above-mentioned purposes;
- to credit reference agencies in order to carry out money laundering and identity checks;
- to competent authorities, courts and other bodies as required by law or as requested;

# COWEN

- to agents, service providers or third-party vendors in order to process the personal data for the above mentioned purposes; and
- to purchasers of the whole or part of our business or on any merger or group reorganisation.

The disclosure of personal data to the parties noted above may include the transfer of personal data outside the European Economic Area (EEA). Such countries may not have the same data protection laws as your country. We have put in place standard contractual clauses or relied on that party's privacy shield certification in order to adequately protect the personal data.

Should you wish to discuss the above or have any questions please use the below contact details.

## **Retention Period**

We may retain your personal data for as long as required to perform services for you and/or the purposes of processing set out above.

## **Data Subject Rights**

You may have certain rights, in certain circumstances, in relation to your personal data e.g. the right to access, rectify, erase, restrict the use, or object to the processing and data portability.

You may exercise the rights set out above by contacting us on the below contact details. In the event you wish to make a complaint about how we process your personal data, please use the below contact details and we will endeavour to deal with your requests as soon as possible. This is without prejudice with your right to lodge a complaint with a supervisory authority.

For more information about Data Protection at CESL please read our EMEA Privacy Notice, <https://www.cowen.com/about/customer-notices-policies/>

## **How to contact us**

If you have any questions about our use of your personal data, please contact the Compliance Officer at Cowen Execution Services Limited, 1 Snowden Street, London, EC2A 2DQ, United Kingdom.

Version 1 - 18 November 2021