

**ARRACO IRELAND LIMITED TERMS OF BUSINESS (THE  
"TERMS")**

**PROFESSIONAL CLIENTS**

**1. General Information**

- 1.1 ARRACO Ireland Limited or AIL is authorised and regulated by the Central Bank. Our registered office is at Two Haddington Buildings, Haddington Road, Dublin, D04 HE94, Ireland and our company registration number is 657826. AIL is part of the ARRACO Group and its parent company ARRACO is authorised by the Financial Conduct Authority.
- 1.2 The Central Bank's address is New Wapping Street, North Wall Quay, Dublin 1, D01 F7X3. The CBI's website is [www.centralbank.ie](http://www.centralbank.ie).
- 1.3 For the purposes of the MiFID II Rules, we categorise you as a Professional Client. You have the right to request a different client categorisation. If you request categorisation as an eligible counterparty and we agree to such categorisation, we would no longer be required by regulatory rules to provide certain protections granted to you as a Professional Client.
- 1.4 We are a member of the compensation scheme ("ICCL") as provided for by the Investor Compensation Act ("ICA"). You may have a right to compensation where: (a) you are an Eligible Investor as defined in the ICA; (b) we are not in a position to return your money or investment instruments; and (c) to the extent your loss is recognised for the purposes of the ICA. Payments under the scheme in respect of losses will amount to the lesser of (i) 90% of the total loss which is recognised for the purposes of the ICA, or (ii) EUR 20,000. However, clients classified as Professional clients under Mifid are not considered Eligible Investors under ICA and therefore cannot claim any compensation via the ICCL.
- 1.5 We arrange transactions in electronic and voice broking services in certain over-the-counter petroleum products and energy market products, including, oil, natural gas and electric power. In addition, we are authorised by the Central Bank to operate an OTF in respect of the products listed in the OTF Rulebook, a copy of which is published on our website at [www.arraco.com](http://www.arraco.com). The Market Identifier Code for our OTF is AILT.
- 1.6 In relation to OTF Products, the services we provide involve the use of discretion by our brokers in the arranging of Transactions on our OTF. When you instruct us to arrange any Transaction in respect of OTF Products, you agree that you instruct us to arrange such Transaction on our OTF only and not on any other form of trading venue.
- 1.7 You agree that any Transaction you instruct us to arrange on our OTF will be subject to the OTF Rulebook published on our website at the time of such instruction. The OTF Rulebook, which forms part of this Terms, is an important document which sets out the rules relating to trading on our OTF. We strongly advise that you review this document in advance of trading on our OTF.
- 1.8 We will not be a party as a principal to any transaction. We will only execute a transaction as your agent. We cannot take title to the products that you wish to buy or sell, and we cannot assess the legal capacity of counterparties to enter contracts relating to the commodity products, nor we can guarantee delivery of the underlying commodity nor assess the creditworthiness of counterparties.
- 1.9 You agree that you and the relevant counterparty will be wholly responsible for the settlement of each Transaction and you will not rely on us for any settlement. Such Transactions will be settled and confirmed by the specific terms of the written confirmation, if any, between you and the relevant counterparty in the accordance with the terms and conditions of your underlying agreement with the relevant counterparty.
- 1.10 By entering into these Terms, you accept that the counterparty to any transaction may be another client of AIL and that we may act as a broker for that counterparty at the same time and in the same

capacity as we do for you.

- 1.11 You agree that at the time you instruct us to arrange any Transaction for you, such Transaction will be subject to these Terms which will be updated from time to time and will be published on our website on an ongoing basis.
- 1.12 In asking us to arrange any Transaction, you represent that you have been solely responsible for making your own independent appraisal and investigations into the risks of the Transaction and, where you are notified of the identity of the counterparty to the Transaction in advance of the Transaction being arranged by us, the risks associated with such counterparty. You represent that you have sufficient knowledge, market sophistication, professional advice and experience to make your own evaluation of the merits and risks of any Transaction. We give you no warranty as to the suitability of the products traded under this Agreement and assume no fiduciary duty in our relations with you.
- 1.13 All Transactions are subject to Applicable Laws so that: (i) if there is any conflict between this Agreement and any Applicable Laws, the latter will prevail; (ii) we may take or omit to take any action we consider necessary to ensure compliance with any Applicable Laws; (iii) all Applicable Laws and whatever we do or fail to do in order to comply with them will be binding on you; and (iv) such actions that we take or fail to take for the purpose of compliance with any Applicable Laws shall not render us or any of our directors, officers, employees, or agents liable.

## **2. Charges**

- 2.1 Unless we agree otherwise, you shall pay our fees, commissions and other charges as set out in the commission schedule applicable to the Transactions we arrange on your behalf. All payments to us under this Agreement shall be made within thirty (30) days of the date of the relevant invoice.
- 2.2 Where you instruct us to arrange a Transaction in an OTF Product on our OTF, you agree that such

Transaction may be subject to the OTF fees specified in the OTF Pricing Schedule, which is available on our website. You will be invoiced separately for any applicable OTF fees in accordance with the OTF Rulebook. If you request to receive disaggregated pre-trade and post-trade information from us in respect of OTF Products, we shall charge you an additional fee for such information which shall be as advised to you at the time of such request.

- 2.3 We reserve the right to charge you interest on any sum which you fail to pay us when due at the rate of (i) either overnight SONIA (if GBP), Fed Funds (if USD) or overnight Euro short term rate (if EUR) plus (ii) 2% per annum, for each day for which such amount remains unpaid.
- 2.4 You should be aware of the possibility that other taxes or costs may exist that are not paid through or imposed by us.

## **3. Instructions and Basis of Arranging**

- 3.1 You may give us instructions by telephone, email, IM or via other electronic means unless we tell you that instructions can only be given in a particular way. If you give instructions by telephone, your conversation may be recorded. If you give instructions by email or other electronic means, they shall not be deemed to have been accepted by us unless or until a member of our staff acknowledges their receipt and, for this purpose, an automatically produced evidence of delivery or receipt shall not constitute acceptance.
- 3.2 You will notify us in writing of the identity of the persons authorised to trade on your behalf and any restrictions on any counterparties with whom you may trade. We may in our absolute discretion refuse to act on instructions.
- 3.3 We may allow you to enter into Transactions electronically. Where we do so, you agree to be bound by such other terms and conditions as we may specify from time to time in relation to doing so.

#### **4. Block Trades**

- 4.1 Where we arrange block trades for you, such block trades will be subject to the rules of the relevant exchange or clearing house and we will have a regulatory obligation to report such block trades to the relevant exchange or clearing house within certain time limits.
- 4.2 You must ensure you have appropriate permissions and position limits in place before entering into the underlying Transaction with us.
- 4.3 You must also ensure that the details of the account through which you want us to clear any block trade are correct when first given to us. After receipt of confirmation of registration of a block trade from the relevant exchange or clearing house, we reserve the right to decline any request by you that we re-submit the block trade to a different account of yours, whether at your original clearer or any other clearer, and require that you instead liaise directly with your clearer to effect any such change.
- 4.4 Where we are posting block trades on your behalf, we are required to obtain your consent on a pre-trade basis to disclose: (i) your identity; and (ii) other details relating to the trade, to potential counterparties to such block trades. Please note we may also provide such details to any other market participants on a post-trade basis unless you expressly request that we do not do so at the time of execution. By continuing to do business with us, you will be deemed to have consented to such disclosure.

#### **5. Confirmations and Disputes**

We will email you confirmations on the same day of each Transaction. You will notify us immediately upon receipt if you are not in agreement with any trade confirmation or other notification from us. In the absence of such immediate notification by you, the trade confirmation or notification will (in the absence of manifest error) be conclusive and binding on you.

#### **6. Order Execution Policy**

AIL will arrange Transactions in accordance with the terms of our Order Execution Policy. When arranging your order, AIL will take all sufficient steps to deliver the best possible result, but we cannot guarantee delivery of best execution on every single order executed on behalf of the AIL. This may be for a variety of reasons, including, for example: other dealers/markets may have better prices; other orders may trade ahead of yours; decisions or system failures may prevent/delay execution of orders or cause orders not to receive the best possible outcome. Our Order Execution Policy has been published at [www.arraco.com](http://www.arraco.com). You consent to receiving a copy of our Order Execution Policy in this way. You expressly consent and agree to: (a) the terms of our Order Execution Policy; and (b) your orders being executed in accordance with the Order Execution Policy.

#### **7. Incidental Information**

Where we do provide market commentary or other information:

- this is incidental to our relationship with you. It is provided solely to enable you to make your own investment decisions and does not amount to advice;
- we give no representation, warranty or guarantee as to the accuracy or completeness of such information or as to the tax consequences of any Transaction;
- where information is in the form of a document containing a restriction on the person or category of persons for whom that document is intended or to whom it is distributed, you agree that you will not pass it on contrary to that restriction.

#### **8. Complaints**

8.1 You agree to inform us immediately and in writing of any complaints relating to our Services and/or our actions or omissions in connection with this Agreement. We will endeavour to investigate any complaints as quickly as possible, and we will notify you in writing of the outcome of our investigations.

8.2 Complaints can be made to the Chief Compliance

Officer at Arraco Ireland Limited, Two Haddington Buildings, Haddington Road, Dublin, D04 HE94, Ireland or by email at: [dub\\_compliance@arraco.com](mailto:dub_compliance@arraco.com)

## 9. Representations and Warranties

9.1 You represent and warrant to us at the date of any Transaction that:

- you have all necessary authority, powers, consents, licenses and authorisation and have taken all necessary action to enable you lawfully to enter into any Transaction and you shall comply with all Applicable Law.
- the persons entering into each Transaction on your behalf have been duly authorised to do so;
- each Transaction and the obligations created under them both are binding upon you and enforceable against you in accordance with their terms (subject to applicable principles of equity) and do not and will not violate the terms of any regulation, order, charge or agreement by which you are bound;
- you shall observe the standard of behaviors reasonably expected of persons in your position and not take or omit to take any action which would or might cause us to breach any Applicable Laws; and
- in relation to each Transaction arranged on our OTF, you will comply with the OTF Rulebook.

9.2 You represent that you will independently determine the appropriateness of any Transaction that you initiate with us and that you assume the full risk as to the value, if any, that any products purchased or sold by you may have at any time. You agree that you shall bear the risk of loss in the event that: (i) any purchaser of your products in a Transaction arranged by us fails to make timely payment for products that have been delivered to such purchaser; or (ii) any seller of products

purchased by you in a Transaction arranged by us fails to deliver such products to you.

## 10. Disclosure of Information and Confidentiality

10.1 We and you agree at all times to keep confidential any information of a confidential nature acquired in connection with this Agreement or the services, except for information which either you or we are bound to disclose under compulsion of law or by request of regulatory agencies.

10.2 The confidentiality obligations in this clause shall apply to any live or non-live pricing data (the "Data") that we may supply you (including but not limited to trades, bids, offers, closing prices and index prices). This Data remains the intellectual property of AIL. Accordingly, you undertake not to distribute or transfer the Data or any information derived from or aggregated with the Data to either: (a) any of your employees other than your traders who are trading on the markets to which the Data or information relates, or (b) to any third party. AIL expressly disclaims any liability regarding the Data's accuracy and accepts no liability whatsoever for any loss arising out of your use of the Data.

## 11. Data Protection

11.1 Before providing us with any information relating to identifiable living individuals in connection with this Agreement, you should provide the following information to those individuals (except where they already have the information):

- a) the categories of personal data that you are providing to us;
- b) our identity, and that they can contact us via the Chief Compliance Officer at Arraco Ireland Limited, Two Haddington Buildings, Haddington Road, Dublin, D04 HE94, Ireland or by email at: [dub\\_compliance@arraco.com](mailto:dub_compliance@arraco.com);
- c) that we may process their personal data for the purposes of administering and operating your account and complying with Applicable Laws;
- d) that this processing is permitted by applicable data protection law because it is
  - (i) necessary for the purposes of our legitimate

interests in pursuing the purposes set out in paragraph (c) above (which are not overridden by prejudice to the relevant individuals' privacy); and/or, in some cases, (ii) necessary so that we can comply with Applicable Laws;

- e) that we may disclose their personal data to persons in the categories identified in clause 9.1 above;
- f) that this may involve transfer of their personal data to any country, including countries outside the European Economic Area, but that in those cases, except where the relevant country has been determined to ensure an adequate level of data protection by the European Commission or we need to make the transfer in order to perform a contract concluded in the interests of the relevant individual, we will ensure that the transferred personal data is protected by a data transfer agreement in the appropriate standard form approved for this purpose by the European Commission or by a binding legal agreement (and that further details of these transfers and copies of these agreements are available from us on request);
- g) that we will retain their personal data for the period required by Applicable Laws; and
- h) that they (i) have rights of access to and rectification or erasure of their personal data and to restrict or object to its processing, which they can exercise by contacting us (see paragraph (b) above); and (ii) can lodge complaints about our processing of their personal data with the office of the Data Protection Commissioner ([www.dataprotection.ie](http://www.dataprotection.ie)).

11.2 You may have rights of access to and rectification or erasure of your personal data and to restrict or object to its processing, and to tell us that you do not wish to receive marketing information, under data protection law, which you can exercise by contacting us.

## 12. Regulatory reporting

12.1 You consent to our disclosing information or data in connection with or relating to you, this Agreement or Transactions to regulatory bodies to the extent that we determine that we are required, permitted or it is desirable to comply with Applicable Laws.

Under Applicable Laws we may be obliged to make information about certain Transactions public. You agree and acknowledge that any and all proprietary rights in Transaction information are owned by us and you waive any duty of confidentiality attaching to the information which we reasonably disclose.

12.2 Unless you notify us otherwise in respect of a Transaction, you hereby notify us that any Transaction you enter into on our OTF will be entered into for the purposes of reducing the risk attached to your business.

## 13. Commencement and Termination

13.1 This Agreement will take effect from the date on which we provide, or you request or otherwise make use of the Services and shall continue in effect until terminated by either you or us in accordance with this clause.

13.2 ALL may terminate this Agreement immediately by giving written notice to you if you default on any payment due or that we become aware of act or omission by you in breach of this Agreement.

13.3 Either party may terminate this Agreement by giving the other party two (2) weeks' written notice. No penalty will be payable by either party upon termination, but all unpaid Commissions Fees will become due immediately.

13.4 Either party may terminate this Agreement immediately if it becomes aware that the other has committed a material breach of these terms or has acted unlawfully with regards to compliance with any relevant financial services legislation.

13.5 Termination shall not prejudice the existing rights and liabilities of either party accrued at that date and we shall continue to have the right to disclose information in accordance with Clause 10.

## 14. Limitations of Liability and Indemnity

14.1 Neither we nor our directors, officers, employees or agents shall be liable for any losses, damages, costs or expenses incurred or suffered by you under this Agreement (or as a result of any Transaction) unless

arising directly from our or their respective gross negligence, wilful default or fraud.

- 14.2 You undertake that you will indemnify us and will keep us indemnified against all actions, claims, costs and damages (including any compensation or damages paid by us on the advice of our legal advisers to compromise or settle any claim) and all legal costs and other expenses arising out of any Transaction that you enter into pursuant to this Agreement save for claims, costs and damages resulting from our gross negligence, wilful default or fraud.

#### 15. Notices and Correspondence

All notices, instructions or any other communication shall be in writing and delivered to the Chief Compliance Officer at Arraco Ireland Limited, Two Haddington Buildings, Haddington Road, Dublin, D04 HE94, Ireland or by email at: [dub\\_compliance@arraco.com](mailto:dub_compliance@arraco.com).

#### 16. Miscellaneous

- 16.1 We may amend our terms of business from time to time on notice to you.
- 16.2 These Terms are not intended to grant to you any right, title or interest in AIL's intellectual property and you agree to indemnify us against any Losses suffered because of any unauthorised use by you of such intellectual property.
- 16.3 Neither party may assign any of its rights or obligations under this Agreement, without the prior written consent of the other party.
- 16.4 Any failure or delay by either party in exercising their rights hereunder shall not operate as a waiver of such rights and remedies.

#### 17. Governing Law

This Agreement, and any non-contractual obligations connected to it will be governed by and construed in accordance with Irish law and the courts of Ireland shall have jurisdiction to determine any proceedings arising from any suit,

action or other proceedings arising out of or in connection with this Agreement or a Transaction (including any proceedings regarding the existence, validity or termination of these Terms or a Transaction).

#### 18. Interpretation

- 18.1 The following terms and definitions apply in this Agreement:

"Applicable Laws" means all applicable laws and all applicable rules and regulations made by any judicial, regulatory, tax or other governmental authority, including, without limitation, the constitutions, articles, by-laws, rules, regulations, policies, procedures and interpretations of exchanges and markets to which orders are routed or Transactions are executed, in the course of providing our services to you. These include (but are not limited to) the MiFID II Rules and guidance issued by the Central Bank of Ireland;

"AIL" means ARRACO Ireland Limited;

"ARRACO" means ARRACO Global Markets Limited;

"ARRACO Group" means ARRACO and all its subsidiaries;

"Central Bank" means the Central Bank of Ireland;

"MiFID Regulations" means the European Union (Markets in Financial Instruments) Regulations 2017 which implemented Directive 2014/65/EU on markets in financial instruments into Irish law.

"MiFID II Rules" means rules pertaining to the provision of MiFID investment services including but not limited to, Directive 2014/65/EU on markets in financial instruments, the MiFID Regulations and any supplementing, amending or restating legislation relating to the MiFID investment services regime, which may be introduced from time to time.

"OTF" or "Organised Trading Facility" means the trading venue operated by AIL.

“Transaction” means the transactions effected by ALL via its electronic and voice broking services in certain over-the-counter petroleum products and energy market products, including, oil, natural gas and electric power.

- 18.2 A "person" includes a natural person, corporate or unincorporated body. A reference to a "company" shall include any company, corporation, or other body corporate.
- 18.3 Where relevant words in the singular shall be deemed to include the plural and vice versa. Any words following the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 18.4 A reference to "writing" or "written" includes e-mail and other analogous forms of electronic communication.
- 18.5 Clause and paragraph headings shall not affect the interpretation of this Agreement.

