

## **Pre-Hedging Disclosure**

Pre-hedging is the managing of risk associated with one or more anticipated client transactions. When you provide us with a request to enter a transaction or indicate your interest in a potential transaction, unless otherwise instructed by you, we may use that information to engage in pre-hedging, including within seconds or minutes before negotiating and executing your transaction.

Our intentions in pre-hedging are to facilitate your transaction and reduce the potential market impact of executing your transaction, with the objective of achieving a better outcome for you while minimizing our risk of entering in the transaction. While pre-hedging is not intended to disadvantage you, it may impact the price of the underlying market and consequently the price of your transactions.

Any transactions entered into by us with a view to facilitating your potential transaction (i) will be entered into by us as principal, not as agent for you, (ii) could be at prices different from the price at which we execute your transaction, (iii) may affect the market price and/or liquidity of the product(s) you are buying and/or selling and (iv) may result in profit or loss to us.

Since the impacts of pre-hedging may vary, this disclosure is not meant to describe how pre-hedging may impact a specific transaction or market. Please contact us to obtain details specific to your transaction.