



Client Confidentiality Approach - Commodities Markets

January 2016

In response to the UK FCA's recent remediation programme requiring firms to review systems, controls, policies, procedures and oversight (<http://www.fca.org.uk/news/fca-fines-five-banks-for-fx-failings>), ICAP has undertaken a review of its client confidentiality procedures and we are writing to you today to share with you our internal guidance.

ICAP takes seriously all issues of client confidentiality and ensures that client wishes with regard to their information are met at all times in relation to our broking services and are strictly adhered to at all times.

Pre-Trade Disclosures

In certain markets, as a matter of convention and preference, it is the market practice to make information about potential counterparties to a transaction available upon request. As a broker ICAP seeks to identify the greatest amount of liquidity in the market by broadcasting trading interest to as many interested counterparties as possible, within the shortest amount of time. In furtherance of potential transactions, increased market liquidity and enhanced transparency, information on potential trades may be disclosed to other counterparties in the market in order to bring about transactions. It is important that this practice must not conflict with regulatory and/or legal requirements, and will only be done where it reflects the specific characteristics of the particular market, the participants' views on the importance of anonymity or disclosure to liquidity and transparency in that market, and historical experience and practice.

Post-Trade Disclosures

In furtherance of bilateral transactions, increased market liquidity and enhanced transparency, information on trades concluded may be disclosed to other counterparties in the market in order to bring about further transactions. The distribution of this information is done in a consistent manner and provided to the market on an equal basis.

ICAP's policy is to ensure consistency of application within any given market. Unless you expressly request otherwise, if the market convention is that information can and should be provided to assist with the price discovery process, when you choose to transact via one of our brokers in such a market we will assume you are agreeing that we can disclose your information and in such circumstances this will be done on a consistent and neutral basis when asked. Equally, if you expressly request for your information to be kept confidential this will be adhered to in all circumstances regardless of the prevailing market convention.

If you have any specific questions or requests with regards to this guidance or the operation thereof, please contact compliancequeries@icap.com.