



DAIWA CAPITAL MARKETS AMERICA INC. U.S. PRIVACY POLICY NOTICE

Last Updated: January 2020

As a U.S. regulated broker-dealer and futures commission merchant, we, at Daiwa Capital Markets America Inc. ("DCMA"), are required to obtain certain non-public personal information ("PI or "Information") from you, our customer. Protecting your Personal Information is an important part of how we conduct our business. This Privacy Policy Notice ("Notice") is intended to comply with U.S. Federal laws and implementing regulations of the SEC and other regulatory agencies regarding your privacy, and describes the situations in which we may lawfully collect, use, share, sell and process your Personal Information.

To whom does this Notice apply?

This Notice describes the rights you have concerning the PI that we collect about you, the sources from whom we obtain your Information, the categories of PI we collect and how we process this information. This Notice applies to U.S. residents who are "retail account customers" (dealing with us as an individual) of DCMA with respect to products and services provided by us in the United States and used primarily for personal, family or household purposes (not business purposes).

Unless otherwise provided herein, this Notice does not apply to:

- Corporate or institutional customers or individuals associated with a corporate or institutional account, who by virtue of the financial services we provide, have their personal information protected by financial industry specific privacy laws, including Gramm-Leach-Bliley Act ("GLBA"), Fair Credit Reporting Act ("FCRP") or due diligence requirements on DCMA with respect to "anti-money laundering" and "know your customer" rules; or
- Employees and contingent workers and job applicants. ***(See below for additional privacy rights for California residents).***

From what Sources do we collect PI about you?

DCMA may obtain your PI from the following sources:

- you on applications, forms or other documents;
- us, our affiliates or others regarding your transactions with us and other sources;
- consumer-reporting agencies; and
- sources that are publicly available.

What Categories of PI do we collect and with whom do we share it?

The type of PI we collect and process may vary depending on whether you deal with us as an individual or in connection with one of our corporate or institutional customers, as well as the jurisdiction where you reside. We may process the following categories of Information, among others:

- Identifiers, such as (i) your contact information (name, phone number, postal address, email address and your personal or work related contact information); and (ii) government-issued identifiers (social security number, passport number, or other similar documentation) as required and permitted by applicable laws.
- Classifications, such as your age, gender, marital status, nationality or citizenship.
- Commercial/Financial Information, such as your source of wealth/income, investment experience and objectives, creditworthiness and credit history, and risk tolerance.
- Professional or employment-related information, such as current or past job history.

We do not disclose PI of our customers or former customers to anyone, **except** pursuant to legal or regulatory requirements, to affiliates engaged in financial services, or as authorized by you. Recipients of such disclosure may include (a) auditors, law enforcement and regulatory agencies (including U.S. and regulators in other countries such as Japanese or attorneys acting with judicial authority); (b) affiliates that may provide business services for us for your benefit or may assist us in offering our or our affiliates' products and services to you; (c) affiliates and other third party entities to facilitate the processing of securities transactions requested by you; or (d) affiliates and non-affiliates for credit review or reporting purposes.

In addition, FCRP gives you the opportunity to limit the sharing of certain "non-experience information" within the Daiwa corporate family. Non-experience information includes information that is not related solely to your transactions or other experiences with us. Examples of non-experience information include information from:

- your applications, such as your income or marital status;
- a credit report, such as your credit history; and
- sources used to verify representations made by you, such as your open lines of credit or employment history.

The types of companies within the Daiwa family that may receive non-experience information include our parent companies and other financial services providers such as banks and broker-dealers.

If you prefer that we not share non-experience information about you within the Daiwa corporate family, you may direct us not to share this information by calling our New Accounts Department at (212) 612-7000. **For joint accounts, each person may separately opt-out and joint account holders may opt out**

for each other. If only one joint account holder opts out, we may share information about other joint account holders.

We **do not sell** your PI and we have not done so within the past twelve (12) months prior to the effective date of this Notice.

Security and Technology

We restrict access to PI about you to those employees who have a need to know that Information. We maintain physical, electronic and procedural safeguards that guard your PI. We dispose of our customers' PI (whether recorded on paper, tape or any other medium) in ways that are designed to protect against unauthorized access or use. We also take appropriate precautions when we discard computers and other equipment that we have used to process or store customers' PI.

Access and Correction of Information

Upon your written request, we will make available for your review any file we may maintain for your PI, provided, however, that any Information collected in connection with, or in anticipation of, any claim or legal proceeding may not be made available. If you notify us that any Information is incorrect, we will review it. If we agree, we will correct our records. If we do not agree, then you may submit a short statement of dispute, which we will include in any future disclosure of the disputed information.

Updates to this Notice; Further Information

We will update this Notice from time to time. When we make changes to this Notice, we will change the "Last Updated" date at the beginning of this Notice. If we make material changes to this Notice, we will notify you by email, by prominent posting on DCMA's website at <https://us.daiwacm.com/disclosure-documents/regulatory-disclosures/>, or through other appropriate communications channels. All changes will be effective from the date of publication unless otherwise provided in the notification.

Any examples contained within this Notice are illustrations and are not intended to be exclusive. This Notice is intended to comply with recently enacted Federal laws and implementing regulations regarding privacy. You may have different or additional rights under other foreign or domestic local laws that may apply to you. ***(See Other Important Information)***.

OTHER IMPORTANT INFORMATION:

FOR CALIFORNIA RESIDENTS

The California Consumer Privacy Act of 2018 ("CCPA") provides certain rights regarding the PI that we collect. In particular, if you are a "natural person" who resides in the State of California, you may have the following rights:

Notification of PI collected:

DCMA collects, uses and processes your PI, as described within this Notice, for expected internal reasons, for legal obligations, and for servicing a transaction or providing a financial service requested by you. We may also use your Information to detect security and fraud as well as technical support functions.

Further detail on the categories of PI we may collect about you, the sources of the PI collected, the purposes for collecting the PI, as well as third parties to whom we may disclose your PI, are described within this Notice.

Access to specific items of collected information:

You may request that we disclose certain information to you regarding the collection and use of your PI during the past twelve (12) months. Upon verification of your request, we will provide a report outlining specific pieces of the PI collected about you. You may make this request a maximum of two times with a twelve-month period.

Deletion of PI:

You may request that we and our service providers delete any PI that we collect from you. You should note that our obligation to comply with a deletion request may be subject to exemptions or that we may have a legal reason to retain your Information, as permitted by the CPPA, in accordance with the original reason for collecting and processing PI as described within this Notice.

We retain PI in accordance with our firm’s information management policies, which establish general standards and procedures regarding the retention, handling, and disposition of our records, including PI. PI is retained as long as necessary to meet legal and regulatory requirements. In addition, a retention period may be extended if we are required to preserve PI in connection with litigation, investigations and proceedings.

Opt-Out of Sale

Under the CPPA, you have the right to request that we not sell your PI. Since we do not sell PI, there is no need to opt-out of sales.

Anti-Discrimination

We will not discriminate against you for exercising your CCPA rights.

Contact Us

If you have any questions or requests in connection with this Notice or other privacy-related matters, please contact our Compliance Department or our New Accounts Department. The firm's general number is (212) 612-7000.