



# HIIVE MARKETS LIMITED

## RELATIONSHIP DISCLOSURE (CANADA)

Updated: June 2025

Hiive Markets Limited (“**Hiive**” or “**we**” or “**our**”) is a registered exempt market dealer in Ontario, British Columbia, and Alberta. Hiive facilitates trading in certain unregistered/prospectus-exempt securities (“**Exempt Securities**”) of private non-reporting issuers (“**Issuers**”). Hiive does so predominantly through its online matching platform at [app.hiive.com](http://app.hiive.com) (the “**Hiive Platform**” or the “**Platform**”). The following is additional information concerning your relationship with Hiive.

### No accounts

When you sign up for the Hiive platform, you are not opening an “account”. Hiive does not open accounts or hold any securities on behalf of you or any of its clients. Hiive may only hold your funds in the limited circumstances described under the “Hiive settlement services” heading, below.

### Products and services

Hiive offers brokerage services, primarily to accredited (high net worth and sophisticated) and institutional buyers and sellers of Exempt Securities including through the Platform. The investments offered through Hiive are generally either: (1) investments directly in Exempt Securities or (2) investments in private funds organized by third parties or Hiive affiliates (“**Private Funds**”). The Private Funds hold either the Exempt Securities of the Issuer or Exempt Securities of another private fund which holds Exempt Securities of the Issuer. The Issuers are typically late-stage, venture-backed, private companies.

Hiive may also provide limited sell-side brokerage services to holders of stock who do not meet the definition of “accredited investor” to help them to find a buyer for Exempt Securities.

All listings, bids and standing bids posted or made through the Hiive Platform are non-binding indications of interest. If you wish to enter into a transaction on the basis of a listing, bid or standing bid that you see on the Platform, you must respond to that listing, bid or standing bid. The Hiive Platform does not automatically “match” orders with one another.

Hiive does not and will not at any point monitor or manage your investments or provide you with investment advice, even if they are investments that you buy or sell using Hiive’s brokerage services.

Hiive does not have investment or discretionary authority with respect to your investments and investment decisions. You are responsible for making all decisions regarding the purchase or sale of your investments, even if they are investments that you buy/sell using Hiive’s brokerage services.



Hiive only offers brokerage services with respect to a limited list of Exempt Securities, and we may change this list at any time.

## Investment risks

Investing in Exempt Securities is highly speculative and very risky. It is even more risky if you use borrowed funds, loans, mortgages, or emergency funds to make these investments. Exempt Securities are inherently illiquid and there is no guarantee that a market will be available for them. Accordingly, investment in these securities is appropriate only for those investors who can tolerate a high degree of risk, can withstand a total loss of investment, and do not require liquidity of their investment. Each investment carries its own specific risks and there is often limited or incomplete information available to evaluate such risks. If you are considering buying or selling Exempt Securities through Hiive, you must complete your own independent due diligence regarding a given investment, including obtaining additional information about the company, opinions, financial projections and legal or other investment advice.

Because the market for Exempt Securities is illiquid, and the attributes of shareholdings are not uniform, the price that a seller can get for his or her shareholding may vary significantly from one day to the next and one transaction to the next, and may be more or less than the “fair market value” for that stock. Any information that Hiive provides about the “price” or the “market” for a given security are estimates or approximations, and may be based on a small sample size of bids, listings, and transactions. You should not rely on such information for entering into a transaction but should always conduct your own diligence, including seeking appropriate professional advice. If you buy or sell Exempt Securities through Hiive, you may find the “price” for those securities appreciates or depreciates following the trade. By agreeing to sell shares at a specified price, you are giving up the opportunity to sell at a possible higher price in the future. By agreeing to buy shares at a specified price, you should understand that the Exempt Securities you purchased may decrease in value in the future.

## Conflicts of interest

Hiive has established policies and procedures designed to identify, disclose, manage and, where necessary, avoid material conflicts of interest in relation to our business, our clients and third parties. This includes actual, potential and perceived material conflicts of interest.

Below are potential material conflicts of interest that may arise as a normal part of doing business with us, how they might affect you, and, where possible, how we intend to address them in your best interest. We are required to avoid any material conflict of interest between you and us where the conflict cannot otherwise be addressed in your best interest.

**Compensation and fees.** Hiive earns fees for transactions that you may enter into. We earn higher fees for large transactions than we do for small transactions, and we earn more fees the more transactions that we do. We also earn fees on the sale of Exempt Securities into Private Funds organized by Hiive affiliates. As a result, we are incentivised to operate in a way that encourages the completion of as many large transactions as possible, particularly in Hiive affiliated Private Funds. *We address this by being transparent about our fees, by informing you of the applicable fee before you enter into or complete a transaction, and by always disclosing whether a*



*Private Fund is affiliated with Hiive. Also, Hiive only facilitates transactions; it does not recommend that you enter into them and it does not enter into them on your behalf.*

**Employee compensation.** Hiive financial professionals receive a salary and have the possibility of a discretionary bonus based upon individual job performance and their team or firm's (as the case may be) overall performance, which may include an amount that is a percentage of fees earned by Hiive on transactions facilitated by the financial professional. It is generally in the financial interest of our financial professionals to complete as many transactions as possible, and to complete transactions that are as large as possible, as doing so generally increases their individual compensation. *We address this conflict by using a comprehensive approach to compensation. Also, we cannot and do not provide recommendations or advice solely for the purpose of generating revenue for us without a benefit to you.*

**Employee outside business activities.** Some of our employees may engage in approved outside business activities, for which they may receive compensation. This may give rise to the perception that these activities influence an employee's professional dealings with a client. *We address this through internal policies and procedures that are reasonably designed to ensure that, prior to engaging in an outside business activity, employees disclose and obtain approval from Hiive. Outside business activities that give rise to a material conflict of interest are not permitted.*

**Employee gifts and entertainment.** Some of our employees may give or receive gifts or entertainment from clients, third parties, or other employees. This may give rise to the perception that these inappropriately influence an employee's professional dealings with a client. *We address this through policies and procedures that are reasonably designed to ensure that gifts or entertainment are recorded, limited, in accordance with applicable law and regulation, and are provided merely to foster and maintain a business relationship and not to influence.*

**Referral arrangements.** We may enter into an arrangement where we receive or pay a referral fee to a broker, exempt market dealer or other finder involved in a transaction, or receive or pay a referral fee for referring you. We may also provide a rebate or discount on fees to a client who refers you, or to you if you refer another client. This may give rise to the perception that our interests are divergent from you in receiving or providing this referral. *We address this by requiring all referral arrangement types to be approved by our Chief Compliance Officer, and by disclosing to you information about a referral before we provide you services.*

## **Fees and charges**

**Principal Fees and Costs:** We typically charge a commission as a percentage of the transaction for successful transactions brokered by Hiive. In most cases, these fees are charged to the sellers, which could increase the price sellers are willing to accept for their Exempt Securities. For certain transactions, typically involving Private Funds we will charge a brokerage fee to buyers. We don't charge fees unless there is a successful (closed) transaction.

Hiive charges commissions for our services according to a tiered commission schedule. The highest commission rate tier is 6.80%. The average fee is typically 2% to 5% of the total dollar amount of the securities bought or



sold in the transaction. The exact amount depends on the total size of the transaction and the nature of the services Hiive provides with respect to it.

**Other Fees and Costs:** For direct transactions in Exempt Securities of Issuers, you may pay additional fees to the Issuer, such as legal or transfer fees. Some Private Funds will also charge fees, or include embedded fees, including management fees or carried interest, (generally, a percentage of profit) over the life of the funds. Private Fund fees are paid to the fund or its organizer/sponsor/advisor, and not to Hiive.

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce the amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.

## **Payments from third parties**

If you close a transaction using Hiive's services and/or platform, Hiive will receive a payment of fees (as described in the section above) from the seller and/or the buyer.

In some cases, Hiive may work with another exempt market dealer or broker-dealer or other "finder" to facilitate a transaction through Hiive. In cases where that third party collects the entirety of the fee for the completed transaction, that third party will usually be required under contract to share some of that fee with Hiive.

## **Reporting**

If you are a seller who accepts a bid on the Hiive platform, or you are a buyer who receives a bid acceptance through the Hiive Platform, the Platform will display a screen that confirms the details of your proposed transaction, along with any fees payable to Hiive in connection with it. Other Fees and Costs, as described above, will be communicated or reported separately, to the extent Hiive is aware of them.

## **Limitations of Hiive's services**

Hiive is not an investment adviser and Hiive does not provide recommendations. Our services are limited to introducing buyers and sellers of Exempt Securities. Hiive cannot help you decide what to invest in, or how much to invest. Hiive is a self-directed platform, and it is entirely up to you to make your own investment decisions.

If you are an individual or entity customer that is not a "permitted client," Hiive is required to collect information and make a determination on whether your investing activities through Hiive are suitable for you, given all your financial and life circumstances, and puts your interest first. A permitted client includes individuals with net financial assets of at least C\$5,000,000 or an entity with net assets of at least C\$25,000,000. When you create a user profile on the Platform, Hiive will ask you a number of questions to understand your circumstances better. We ask about your occupation, dependents, income, assets, liabilities, and your investing knowledge, risk tolerance, time horizon, and use of leverage. If a transaction is not suitable for you, then it may not proceed via Hiive.



Hiive does not provide advice of any kind, including investment advice, legal advice, accounting advice or tax advice. For example, Hiive does not advise you on or evaluate the merits of a particular transaction and whether or not it is appropriate for your investment objectives. Nor does Hiive advise on what is the fair market value of any security or investment; Hiive may provide data and information on pricing and valuations, but before you make any investment decision, you should make your own inquiries and analysis about pricing and fair market value. You should never make any trading decisions based solely on the information provided on the Hiive Platform. Hiive is not a qualified investment advisor or financial advisor, and nothing that Hiive displays or provides through the Hiive Platform or otherwise should be construed as investment advice or a recommendation that you enter into a particular transaction.

To the extent that Hiive provides any information about company valuations, share capitalization, company financing rounds or outstanding share count, this information is an approximation, based on publicly available data, and Hiive has not taken any steps to confirm this information with anyone, or determine if it is complete. There may be material, non-public information that impacts valuation, and which is unavailable to Hiive. Before you make any investment, you should verify any information that is important to your investment decision, and conduct your own assessment and analysis.

Hiive may provide users with standard forms of agreement, to be digitally signed by parties as part of the transaction process. These forms are being provided on an “as-is” basis. These forms do not constitute legal advice to either party, and by providing these forms, Hiive is not making any representations as to their suitability, enforceability, or completeness. Prior to executing any agreement, Hiive strongly recommends that you seek and retain professional legal counsel to represent you with respect to the transaction contemplated by the agreement, and to review, and advise you on the effect of the agreement.

In order to complete a transaction that starts on the Hiive Platform, you will likely need to enter into additional agreements, such as a share transfer agreement. You will also have to make arrangements for the transfer of shares. The nature of the agreements required may depend on the requirements of the Issuer of the stock that is the subject of the transaction.

## Hiive settlement services

Hiive may provide settlement services by effecting the transfer of funds through a special account for the exclusive benefit of its customers (the “**Reserve Account**”) held at Hiive’s partner bank, Wells Fargo Bank, National Association (“**Wells Fargo**”). If you are a buyer, Hiive will provide you the Reserve Account details. If you are a seller, Hiive will securely collect your bank account details and ask you to complete a letter of authorization approving the distribution of the sale proceeds prior to receiving funds on your behalf. Hiive will generally verify your bank account details through the micro deposits into your bank account. Hiive settlement services provide a secure method of settling your transactions through Hiive, and allow for your fees, including any fees payable to an Issuer or Hiive, to be deducted from the purchase proceeds.

Hiive. Hiive is required to complete the transfer of your funds through the Reserve Account promptly. During that time, however, Hiive has access to your funds and there may be a risk of loss, including: (a) if there is a breakdown in Hiive’s technology systems; or (b) due to fraud, misconduct, negligence, or error of the Hiive or its personnel. Hiive maintains a rigorous system of supervision and control to protect your funds in the Reserve



Accounts, and to ensure that any transfer instructions to Wells Fargo are duly authorized, complete, and accurate. Hiive is a member of the Securities Investor Protection Corporation (“SIPC”), which protects funds held by Hiive in its Reserve Account for claims up to USD \$250,000 for cash. For more information about SIPC, please visit [www.sipc.org](http://www.sipc.org).

Custodian. Funds held by Wells Fargo in the Reserve Account may be at risk of loss, including: (a) if there is a breakdown in Wells Fargo’s technology systems or system of controls and supervision; (b) due to fraud, misconduct, negligence, or error of the Wells Fargo or its personnel; or (c) if Wells Fargo becomes bankrupt or insolvent. Funds transmitted to the Reserve Account are held by Wells Fargo in United States dollars, which may create exchange rate risk. It may also be more difficult to retrieve funds from the Reserve Account if Wells Fargo becomes bankrupt or insolvent because funds are held in the United States. Wells Fargo is a large, established, and regulated financial institution, with many years of experience in safeguarding assets. As an independent third party, Wells Fargo also has an independent system of controls and supervision.

## **Trusted Contact Person**

You can add to your Hiive user profile a trusted contact person who Hiive may contact in limited circumstances. Providing a trusted contact person is entirely voluntary. Hiive may contact your trusted contact person including if we have concerns about possible financial exploitation or your mental capacity, or to confirm contact information, health status, or identity and contact information of your legal guardian, executor, trustee, or power of attorney. Trusted contact persons cannot access your Hiive user profile, give instructions to Hiive, or otherwise make financial decisions on your behalf. Appointing a trusted contact person does not make them a power of attorney, legal guardian, trustee or executor, and you can remove or update your trusted contact person on your user profile at any time.

## **Information we collect about you**

Hiive has a Privacy Policy that governs the way that it collects and uses your personal information. You can review this policy at [hiive.com/privacy](http://hiive.com/privacy). If you have any questions about Hiive’s Privacy Policy you can contact our team at [privacy@hiive.com](mailto:privacy@hiive.com).

## **If you have a complaint**

If you have a complaint about our services or the Platform, please submit it in writing, by email ([compliance@hiive.com](mailto:compliance@hiive.com)) or physical mail (700 - 980 Howe Street, Vancouver, British Columbia, V6Z 0C8). When you contact us, please explain: what went wrong, when it happened and any expected/proposed resolution.

If your complaint includes an allegation of misconduct or wrongdoing on the part of Hiive or one of our representatives, it will be escalated to our Chief Compliance Officer (Canada) (the “CCO”). The CCO is required to review any complaint that alleges misconduct or a violation of applicable securities laws on the part of Hiive or its employees.



Upon receiving your complaint, we will acknowledge it in writing as soon as possible, typically within 5 business days of receiving it. We might ask you to provide clarification or more information to help us resolve your complaint.

We will usually provide our decision in writing within 90 days of receiving a complaint. If we are unable to provide a decision within 90 days, we will inform you of the delay and provide you with the expected date for our decision.

If you are not satisfied with our decision, you have three options available to you: arbitration, litigation/civil action, and/or escalation to the Ombudsman for Banking Services and Investments (or “**OBSI**”), as explained in more detail below.

OBSI provides a free and independent dispute resolution service and can recommend compensation of up to \$350,000. Escalation to OBSI does not restrict your ability to take a complaint to a dispute resolution service of your choosing at your own expense, or to bring an action in court.

If we do not provide our decision within 90 days, you can take your complaint to OBSI any time after the 90 day period has ended. If you are not satisfied with our decision you have up to 180 days after we provide you with our decision to take your complaint to OBSI. You can submit your escalations through the OBSI website, email or phone. All information is available here: [www.obsi.ca](http://www.obsi.ca). OBSI works confidentially and in an informal manner. During its investigation, OBSI may interview you and representatives of Hiive. We are required to cooperate in OBSI’s investigations.

Once OBSI has completed its investigation, it will provide its recommendations to you and us. OBSI’s recommendations are not binding on you or us. If you are not satisfied with the results of OBSI’s investigations, you may want to consider another option, such as legal action, to resolve your complaint. There are time limits for taking legal action, and a lawyer can advise you of what these are and explain your options and legal rights.