

PRE-CONTRACTUAL INFORMATION ON REMOTE MARKETING CONTRACTS FOR FINANCIAL SERVICES

Framework Agreement Financial Commission Brokerage Account

Preamble: In the case of remote marketing contracts for financial services, FXFlat Bank GmbH as a company is legally required to inform consumers in accordance with Art. 246b EGBGB.

Having said this, we are providing the following pre-contractual information in relation to the Financial Commission Brokerage Account framework agreement, which applies to the conclusion of a remote marketing contract, is valid until further notice and is only available in German:

1. DETAILS OF THE COMPANY

FXFlat Bank GmbH

Bahnstraße 47, 40878 Ratingen
Tel: 02102/100494-00
Fax: 02102/100494-90

Email: service@fxflat.com

Internet: www.fxflat.com/de

Register no. HRB 101710/Düsseldorf Local Court

Directors: Rafael Neustadt, Andreas Hana

2. MAIN BUSINESS ACTIVITY

The main activity of FXFlat Bank GmbH is the acquisition or sale of financial instruments in its own name for the account of third parties (financial commission business pursuant to §2 para. 2 no. 1 WpIG).

3. COMPETENT REGULATOR

Federal Financial Regulator BaFin (Bundesanstalt für Finanzdienstleistungsaufsicht), Graurheindorfer Str. 108, 53117 Bonn, and Marie-Curie-Str. 24-28, 60439 Frankfurt/M. (Internet: www.bafin.de).

4. CONCLUSION OF THE CONTRACT

The Framework Agreement Financial Commission Brokerage Account is concluded through an offer by the client and a subsequent acceptance on the part of FXFlat Bank GmbH. The binding offer of the client must be seen in the fact that the client completes the application section on the website of FXFlat Bank GmbH or a cooperation partner and electronically transmits the generated application for the conclusion of the framework agreement to FXFlat Bank GmbH.

After FXFlat Bank GmbH has carried out the mandatory client legitimization and concluded a Brokerage Account contract with

Interactive Brokers Ireland Limited on behalf of the client, the contract documents and his access data are made available to the client electronically and his access to the trading system is activated. The transmission of the contract documents as well as the access data to the trading system constitutes the declaration of acceptance on the part of FXFlat Bank GmbH. The conclusion of the framework agreement between the client and FXFlat is subject to the condition precedent that an effective deposit agreement is concluded between the client and Interactive Brokers Ireland Limited.

5. CONTRACTUAL LANGUAGE, LEGAL SYSTEM AND LEGAL VENUE

The authoritative language for the contractual relationship and communication with the client during the term of the framework agreement is German. The contractual terms and conditions and this preliminary information will be provided to the client in Ger-

man. FXFlat Bank GmbH is not required to communicate with the client in another language during the term of the contract.

The establishment of relations with the client prior to the conclusion of the contract, the contract as well as the entire business

relationship will be governed by the laws of the Federal Republic of Germany. This choice of law does not apply to mandatory legal provisions of the state in which a client who is also a consumer has his habitual residence at the time of the establishment of the business relationship.

The framework agreement does not contain a legal venue agreement for consumers.

6. ESSENTIAL CHARACTERISTICS OF THE FINANCIAL SERVICE

The framework agreement concluded with the client forms the basis for subsequent financial commission transactions within the meaning of §2(2) no. 1 WpIG. The client submits a binding offer to conclude a commission agreement with FXFlat Bank GmbH. FXFlat Bank GmbH, as commission agent, then concludes a commission agreement with Interactive Brokers Ireland Limited on the acquisition or sale of the commissioned financial instrument in its own name for the account of the client. Exe-

cution transactions are either concluded directly by Interactive Brokers Ireland Limited with market makers or other trading participants for the account of the client, or are undertaken by Interactive Brokers Ireland Limited with intermediary commission agents and other third parties domiciled in Ireland or abroad.

7. PRICES, COSTS AND TAXES

The conclusion of the framework agreement does not directly trigger any costs for the client. Only the execution of the individual financial commission transactions concluded under the framework agreement is subject to charges, which are shown in the List of conditions for the Brokerage Account of FXFlat Bank GmbH.

The client has to bear his own costs (e.g. for IT, telephone calls, postage).

Capital gains from transactions executed by FXFlat Bank GmbH for the client are not disbursed or credited by FXFlat Bank GmbH. Instead, the payout will be made directly by Interactive Brokers Ireland Limited to a client settlement account held with them. FXFlat Bank GmbH accordingly does not retain any capital gains tax and does not deduct it for the client. Any tax duties are the sole responsibility of the client.

8. REFERENCE TO RISKS AND PRICE FLUCTUATIONS IN FINANCIAL COMMISSION TRANSACTIONS

Within the framework of the financial commission business, transactions are executed for the account of the client that are associated with specific risks. The following risks are examples:

- Price change risk/risk of declining unit prices,
- Credit risk (default risk or insolvency risk) of the issuer,
- Total risk of loss,
- Risk on foreign exchange transactions/securities quoted in foreign currency: Risk of interest rate change, sovereign trading restrictions,
- Liquidity risk (lack of trading opportunities),

- Risk of reversal if transactions are concluded at prices that are not in line with the market (mistrade).

The price of a security is subject to fluctuations on the financial market over which neither FXFlat Bank GmbH nor the client have any influence.

Revenue generated in the past (e.g. interest, dividends) and increases in value achieved are no indicator of future revenue or increases in value.

9. PAYMENT AND EXECUTION OF THE CONTRACT

FXFlat Bank GmbH fulfils its contractual duties by forwarding commission orders placed by the client in its own name and for the account of the client to Interactive Brokers Ireland Limited for execution.

The charges to be paid by the client are included in the price displayed to the client on FXFlat Bank GmbH website when

placing the order. The fees will be debited to the client's settlement account with Interactive Brokers Ireland Limited and will be debited at the same time as the amount due for the execution of the transaction. A separate payment by the client is accordingly not required.

10. CONTRACTUAL TERMINATION PROVISION INCLUDING ANY CONTRACTUAL PENALTIES; MINIMUM TERM OF THE CONTRACT

The framework agreement runs for an indefinite period; no minimum term is provided for. The client's rights of termination will be determined in accordance with the General Terms and Conditions for the framework agreement. The framework

agreement is subject to the resolutive condition that the deposit agreement with Interactive Brokers Ireland Limited remains in force. Contractual penalties are not agreed.

11. OUT-OF-COURT DISPUTE RESOLUTION

FXFlat Bank GmbH is not required to participate in dispute resolution proceedings before a consumer arbitration board - with the exception of clients in Switzerland - and is in principle not prepared to do so. Consumers may nevertheless, without prejudice to their right to bring an action before the courts, bring an action before the conciliation bodies listed below within their respective jurisdiction:

In disputes with consumers arising from the application of the provisions of the Civil Code (BGB) concerning remote marketing contracts for financial services:

Arbitration Board of the Deutsche Bundesbank (Schlichtungsstelle der Deutschen Bundesbank)

PO Box 100602, 60006 Frankfurt/M.

Tel: +49 69 9566-3232,

Fax: +49 69 709090-9901

Email: schlichtung@bundesbank.de

Internet: www.bundesbank.de/schlichtungsstelle

In disputes with consumers arising from the application of the provisions of the Investment Code (Kapitalanlagegesetzbuch) or other provisions in connection with contracts relating to financial services pursuant to §1 (1a) sentence 2 of the Banking Act

(KWG):

Arbitration Board at the Federal Financial Regulator BaFin (Bundesanstalt für Finanzdienstleistungsaufsicht)

Graurheindorfer Str. 108, 53117 Bonn

Tel: +49 228 41080,

Fax: +49 228 410862299

Email: schlichtungsstelle@bafin.de

Internet: www.bafin.de/schlichtungsstelle

Arbitration Board for Clients in Switzerland

In disputes with consumers arising from the application of the provisions of the Investment Code (Kapitalanlagegesetzbuch) or other provisions in connection with contracts relating to financial services pursuant to §1 (1a) sentence 2 of the Banking Act (KWG):

For clients in Switzerland, FXFlat Bank GmbH is required under the Financial Services Act FIDLEG (Finanzdienstleistungsgesetz - Switzerland) to enable the ombudsman procedure and to join an ombudsman's office (Art. 74 ff.). FXFlat Bank GmbH is a member of the Financial Services Ombudsman's Office (Ombudsstelle Finanzdienstleister, OFD), Bleicherweg 10, 8002 Zurich.

12. STATUTORY PROTECTION SCHEME: COMPENSATORY FUND OF SECURITIES TRADING COMPANIES (ENTSCHÄDIGUNGSEINRICHTUNG DER WERTPAPIERHANDELSUNTERNEHMEN, EDW)

FXFlat Bank GmbH is assigned to the Compensatory Fund of Securities Trading Companies (Entschädigungseinrichtung der Wertpapierhandelsunternehmen, EdW), 10865 Berlin (Internet: www.e-d-w.de).

13. RIGHT OF WITHDRAWAL AND CONSEQUENCES OF WITHDRAWAL

Insofar as the Framework Agreement Financial Commission Business Brokerage Account is concluded exclusively using means of distance communication (e.g. telephone, email, fax), the client will have a right of withdrawal. The preconditions and consequences of the withdrawal can be found in the withdrawal instruction, which is issued separately to the client. In the case of several persons entitled to cancel, the right of cancellation will accrue to each of them individually.

No right of withdrawal will accrue to the client with respect to transactions concluded under the Financial Commission. Such transactions are excluded from withdrawal pursuant to §312g (2) No. 8 of the Civil Code (BGB) because their prices depend on fluctuations in the financial market over which FXFlat Bank GmbH has no influence and which may occur within the withdrawal period.

WITHDRAWAL

§1

Right of revocation

You can revoke your contractual **declaration within 14 days without giving reasons by means of a clear declaration**. The period begins after the conclusion of the contract and after you have received the contractual provisions including the General Terms and Conditions of FXFlat Bank GmbH and the Special Terms and **Conditions Financial Commission Brokerage Account as well as all the information listed below under §2 on a permanent data carrier (e.g. letter, fax or email)**. **To comply with the withdrawal period, it is sufficient to send the withdrawal in good time** if the declaration is made on a durable data storage medium.

The revocation must be addressed to:

FXFlat Bank GmbH
Bahnstraße 47
40878 Ratingen

Fax: 02102-100494-90
Email: service@fxflat.com

§2

Information required for the start of the withdrawal period

The information within the meaning of §1 sentence 2 will include the following:

1. the identity of the merchant; the public register of companies in which the legal entity is registered and the corresponding register number or equivalent identifier will also be indicated;
2. the principal business activity of the merchant and the regulator responsible for its authorisation;
3. the summonable address of the merchant and any other address relevant for the business relationship between the merchant and the consumer, in the case of legal persons, associations of persons or groups of persons also the name of the authorised representative;
4. the essential characteristics of the financial service and information on how the contract is concluded;
5. the total price of the financial service including all related price components as well as all taxes paid through the merchant or, if no exact price can be indicated, its basis of calculation enabling the consumer to verify the price;
6. additional costs, if any, as well as an indication of possible further taxes or costs not paid through or invoiced by the merchant;
7. the indication that the financial service relates to financial instruments which, because of their specific characteristics or the operations to be carried out, are subject to specific risks or whose price is subject to fluctuations in the financial market over which the merchant has no control and that past returns are not indicative of future returns;
8. Details regarding payment and fulfilment;
9. the existence or non-existence of a right of withdrawal as well as the conditions, details of the exercise, in particular the name and address of the person to whom the withdrawal must be declared, and the legal consequences of the withdrawal, including information on the amount the consumer has to pay for the service provided in the event of withdrawal, if he is required to pay compensation for the value (underlying provision: §357b of the Civil Code);

10. the minimum term of the contract if it involves a permanent or regularly recurring service;
11. the contractual terms of termination, including any contractual penalties;
12. the Member States of the European Union whose law the merchant uses as a basis for establishing relations with the consumer before concluding the contract;
13. a contractual clause on the law applicable to the contract or on the competent court;
14. the languages in which the contractual terms and conditions and the prior information referred to in this withdrawal notice are communicated and the languages in which the merchant undertakes to communicate, with the consumer's consent, during the term of this contract;
15. the indication of whether the consumer can make use of an out-of-court complaint and redress procedure to which the merchant is subject and, if so, its access requirements.

§3

Consequences of revocation

In the event of an effective withdrawal, **the services received by both parties will be returned. You are required to pay compensation for the value of the service provided** up to the time of withdrawal if you were made aware of this legal consequence before submitting your contractual declaration and expressly agreed that the performance of the service in return could be commenced before the end of the withdrawal period. If there is a duty to pay compensation, this may mean that you must nevertheless fulfil the contractual payment duties for the period up to the revocation. **Your right of withdrawal expires** prematurely if the contract has **been completely fulfilled by both parties at your express request** before you have exercised your right of withdrawal. **Duties to reimburse payments must be fulfilled within 30 days.** The period begins for you with the dispatch of your revocation, for us with its receipt.

Special notes:

On withdrawal of the Framework Agreement Financial Commission Brokerage Account, you will also no longer be bound by a contract related to this contract if the related contract concerns a service provided by us or a third party on the basis of an agreement between us and the third party.

End of the revocation policy