

EXECUTION POLICY & CLIENT INFORMATION FUTURES, CFD & FOREX



Client information on the services of FXFlat Bank AG

In accordance with the Securities Trading Act, Civil Code consumer information on contracts concluded away from business premises and distance contracts as well as reference to data protection information in accordance with the General Data Protection Regulation (Datenschutzgrundverordnung - GDPR) (including information on revocation).

CFDs are complex instruments and carry a high risk of losing money quickly due to leverage. 78.13% of retail investor accounts lose money trading CFDs with this provider. You should consider whether you understand how CFDs work and whether you can take the high risk of losing your money.

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I. OVERVIEW OF THE SERVICES

The following description serves to classify the services of FXFlat Bank AG (hereinafter: the Bank) and is intended to provide the Client with an introductory overview. The Bank offers its Clients the execution of orders in the area of contracts for difference (CFD) and futures on financial instruments, indices, interest rates, currencies and other underlyings, as well as in the area of spot foreign exchange transactions (FOREX). In this context, either execution transactions are concluded with foreign banks acting as market makers for the account of the Client, or intermediate commission agents and other third parties domiciled in Germany or abroad are commissioned by the Bank to do so. In this respect, the Bank will only be liable for the careful selection of the intermediate commission agent or other third parties. In this case, the Client's financial assets are deposited in an omnibus account held in the name of the Bank at Sparkasse Hilden-Ratingen-Velbert.

The Client's electronic connection to the Bank is based on a separate agreement between the Client and the provider of the connection software; the Bank therefore does not provide the Client with connection software and hardware. The Bank does not offer investment advice (execution only). The Bank receives fees for its services. The Bank is entitled to quote the fees listed in the List of Prices and Services to the Client as a total price comprising the execution price and the commission, to collect these fees by debiting the omnibus account and to pass on the execution price to the market maker, intermediate commission agent or other third party and to retain the commission. Alternatively, the market maker, intermediate commission agent or other third party is entitled to add the fee to which the Bank is entitled to the price of the execution transaction and to transfer the portion of the fee to which the Bank is entitled to the Bank. The Bank is entitled to receive the commissions in this way.

II. GENERAL INFORMATION

Name and address for delivery: FXFlat Bank AG, Kokkolasstraße 1, 40882 Ratingen, Germany. Public Register: District Court of Düsseldorf, HRB 44445, VAT no: DE218683071. Statutory representatives: Rafael Neustadt, Samed Yilmaz. Main activity: The purpose of business is financial commission transactions as well as proprietary trading in accordance with the Banking Act. The business areas of financial portfolio management, investment and acquisition brokerage, investment advice, finance leasing and factoring are not currently offered.

Means and mode of communication: Tel 02102-100494-00, fax 02102-100494-90, email service@fxflat.com, operation of the electronic trading system: Mailbox in the electronic trading system of the Client, email address of the Client.

With regard to the duty to make additional payments, i.e. the liability of the Client for losses that exceed his account balance at FXFlat, it should already be mentioned here that

- **there is always a margin call commitment for orders to conclude Spot FX, CFD and Futures transactions** for so-called Professional Clients (and so-called Eligible Counterparties) if the Professional Classic Account package is selected, and
- **in the case of orders for the conclusion of spot exchange, futures and CFD transactions** for Clients with initial or subsequent trading assets of more than EUR 100,000.00, there is also an duty to pay additional margin if the "Professional Plus" service package is selected.

The margin call commitment means that the Client must pay all claims arising from the transaction carried out on his behalf, including all fees, even if they exceed the assets held by him with the Bank in the omnibus account. The Client will be informed by the Bank of his classification as a Professional Client and of his allocation to the "Professional Classic Account". A Professional Client who is initially not subject to margin calls may become a Professional Client subject to margin calls if their trading assets exceed EUR 100,000.00; conversely, a Professional Client may again become a Professional Client not subject to margin calls by reducing their trading assets in a timely manner (see below under Margin calls). The names of these subsidiary business areas are: Standard account (private Clients with margin call commitment); Professional Plus account (professional Clients with margin call commitment); Professional Classic account (professional Clients without margin call commitment). For users of the "FlatTrader" platform, the account models and specific margin requirements described in the GTC apply in deviation herefrom (see GTC IV. A. 4).

Language of communication, information and contract: The communication and the information also in provided documents take place in German, and the contractual language is German.

Participation in dispute resolution proceedings before a consumer arbitration board: the Bank is not required or willing to participate in dispute resolution proceedings before a consumer arbitration board in accordance with local requirements. With regard to dispute resolution procedures for Clients domiciled in Germany, FXFlat is affiliated with the Financial Services Ombudsman's Office (OFD), Bleicherweg 10, 8002 Zurich.

The capacity, identity and address of other persons engaged in commercial activities: Other commercially active persons

with whom the Client may do business in connection with the conclusion of contracts are not authorised or empowered by the Bank, in particular not to provide investment advice, conclude contracts or issue declarations. This also applies to the Bank's "tied agents" (§ 2 (10) of the Banking Act), who are subject to liability and are only required to act as contract brokers by providing evidence of the opportunity to conclude contracts; the initiation and conclusion of contracts with the Client is the sole responsibility of the Bank. The identity and address of the "tied agents" registered in Germany can be found in the "List of tied agents" maintained by BaFin, which is published on BaFin's homepage (www.bafin.de - databases).

Compensation institutions: FXFlat Bank AG is affiliated

with the Compensatory Fund of Securities Trading Companies (www.edw.de), Behrenstraße 31, PO Box 10865, Berlin. The fiduciary banks with which the Bank has deposited Client funds in trust in the FXFlat Konto DE business division include is Sparkasse Hilden-Ratingen-Velbert, which is a member of an institution-related protection scheme recognised under the German Deposit Protection Act (Einlagensicherungsgesetz - EinSiG), Charlottenstrasse 47, 10117 Berlin or Simrockstrasse 4, 53113 Bonn. See below for details on the requirements and range of the respective protections. Period of validity of the information: The information provided to the Client is valid until further notice (from April 2019) and until the Client is informed otherwise and new information is provided.

III. SERVICE AND CONTRACT-RELATED INFORMATION

A) Main features of the service

1)

Commission services are offered in connection with the conclusion of a CFD transaction (contract-for-difference) or a spot exchange transaction: This is understood to mean the conclusion of a transaction by the Bank with third parties for the account of the Client or the commissioning of intermediary commission agents to conclude such transactions (commission business). The Bank will conclude the execution transactions for commission orders with the counterparties named in the current execution policy or appoint them as intermediate commission agents in accordance with its execution policy; since each of these is a market maker for CFD contracts and spot exchange transactions and the Client selects this market maker as the counterparty for the execution transaction when placing the order, the notice of the execution of an order for one of these classes of financial instrument will also be deemed to be the designation of the counterparty. The Client bears the credit risk of the commercial partner or a third party. The Bank will not be liable for the execution of the concluded transactions by the counterparty or the third party. Orders are usually placed by the Client through the electronic trading system provided. A deposit into an omnibus account is required to trade.

In the case of futures transactions, the order is usually executed through the involvement of a third party who has access to the futures exchanges or who in turn involves third parties. In this context, the content and settlement of the execution transactions is determined by the statutory requirements of the so-called central counterparty. The transfer of the statutory position arising from the execution transaction concluded by the Bank itself or the assumption of transactions concluded for the account of the Bank (so-called "give-up transaction") will be effected by the automatic - i.e. without any further action on the part of the Client - creation of a mirror-image, identical statutory position between the Bank and the Client. The parties therefore agree that the statutory relationship between the Bank and the Client will be governed as appropriate by the statutory provisions, contracts and General Terms and Conditions of the central counterparty in whose settlement system the transaction was entered; these will take precedence over the provisions of the order, the transaction, the contract specifications, the other information and notices published in the trading

system as well as these GTC and the framework agreement. This also applies to the content and settlement of the contracts or transactions, e.g. with regard to the time of exercise, the term or the requirement of collateral (margin and margin call) as well as the suspension or discontinuation of the settlement of transactions by the central counterparty existing at the execution venue and by other intermediate commission agents or third parties commissioned by the Bank to execute the order. To the extent that the Bank has appointed intermediary commission agents or other third parties to execute orders and these have imposed duties on the Bank that go beyond the rules and regulations of the central counterparty (e.g. higher collateral requirements than those of the central counterparty), these duties apply in addition to the overriding law.

In the case of future transactions, the Client also bears the credit risk of the commercial partner or the commissioned third party. The Bank is not liable for the fulfilment of the concluded transactions by the counterparty or third parties. Orders are usually placed by the Client through the electronic trading system provided. A deposit into an omnibus account is required to trade.

In the case of CFDs, spot foreign exchange transactions and future transactions, the deposit must be sufficient in relation to the current position value, which depends on the current price of the underlying security, and other claims on an ongoing basis to avoid a forced closure of the position or realisation of the securities holdings. The virtual account displayed in the electronic trading platform is decisive for the adequacy of the funds maintained by the Client. All of the Client's assets in the omnibus accounts are pledged for all claims of the Bank against the Client arising from all business areas of the entire commercial relationship and serve as collateral. For the provision of the trading system, the conclusion of transactions with third parties, the General Terms and Conditions will apply as amended from time to time. A CFD transaction, a spot exchange transaction or a future transaction is ultimately a speculation on the future execution of the security or underlyings (shares, indices, currencies, etc.) or of currencies with a partial advance duty on the part of the Client depending on the current level of the underlying in relation to the contract value, which the Bank concludes with third parties in the name and for the account of the Client. This means that CFD transactions, future transactions or spot foreign ex-

change transactions are associated with risks for the Client.

Orders to conclude CFD trading transactions, future transactions and spot foreign exchange transactions

A CFD or futures contract, like a spot foreign exchange transaction, is a contract for difference that targets the price movement of the underlying asset. It is aimed solely at settling in money the difference between the stated prices of the contract at the time of opening and at the time of closing. By operating the trading system, the Client instructs the Bank to open or close a contract with third parties acting as market makers or to instruct third parties accordingly (see below IV. Execution policy); the Bank will endeavour to execute such order.

The Bank does not offer investment advice. The claims and demands between the Bank and the Client arise from the statutory and economic position between the Bank and the market maker or the commissioned third party. During trading hours, the market makers or exchanges generally quote prices which are communicated to the Client by the Bank in the electronic trading system and at which the Client can place orders for openings and closings, provided that the price is reached again. An advance payment in the form of a deposit into the omnibus account (margin) is required to open a contract, and during the term of the contract the Client is required to maintain a sufficient amount of these funds at all times. These deposits of the Client are used by FXFlat to settle margin and settlement claims of the market maker or commissioned third parties, to cover commission fees and other claims against the Client. As the contract value evolves in line with the execution of the underlying asset, further payments may be required to avoid a forced closure. The virtual account shown on the electronic trading platform will be decisive for the adequacy of the funds maintained by the Client in the omnibus account. In addition, the Bank is entitled, at its due discretion, to order compulsory closures irrespective of the reported Client assets and the reported margin calculation. The Client is continuously informed in the electronic trading system about the value of the contract and the status of his transaction. The Bank will endeavour, without being required to do so, to inform the Client of an impending forced closure. The Client is required to constantly monitor its business activities and the fulfilment of the contracts. If the Client does not make any further payments or if these are not made on time, the contract will be compulsorily terminated, even if this means a loss for the Client.

For Professional Clients and Eligible Counterparties, additional margin may be required for CFD, Futures and Spot FX trading depending on the account model selected or applicable (see further details below).

If the Client does not engage in any trading activity for 30 days, the share of the financial assets to which he is entitled in the collective omnibus account will be returned to him on the basis of banking supervisory regulations; thereafter, contracts can only be opened after a new deposit has been made. If the Client cannot be reached despite reasonable attempts to contact and investigate, the remaining Client funds are deposited with the district court where they could be expended due to ongoing sovereign fee collection.

Overnight positions are not possible for spot foreign exchange transactions. If a spot foreign exchange transaction is open

at that time, the Bank initiates the forced closure and closes the position without further warning or notice to the Client. The Client may also be required to pay additional premiums as a result of such forced closure.

Margin calculation and forced closures for orders to conclude CFD and spot FX transactions and futures transactions are executed on an aggregated basis. This means that in the event of a shortfall in the account due to a spot FX transaction, the CFD position may also be forcibly closed and vice versa.

In the case of future transactions, the following special features also apply:

The Client must close each futures contract by the time announced and published in the trading system. If a futures contract is open at that time, the Bank will initiate the forced closure and liquidate the futures position without further warning or notice to the Client. The Client may be required to pay additional premiums as a result of such forced closure. Margin calculation and forced closures for orders to conclude CFD and spot FX transactions and futures transactions are executed on an aggregated basis. This means that in the event of a shortfall in the account due to a futures, a forced closure of the CFD position may also occur and vice versa.

2) No investment advice/information on the appropriateness test

The Bank executes the Client's orders (without prior investment advice). The Bank may only offer its non-advised investment services to Clients if they are appropriate for the Clients. In this context, the Bank is required to check whether an investment service is suitable for the Client. An investment service is suitable for the Client if it meets the Client's investment objectives, the resulting investment risks are financially acceptable to the Client and the Client is able to understand the resulting investment risks on the basis of his experience and knowledge. In order to be able to execute this examination within the context of the establishment of the commercial relationship, the Bank requires information from the Clients about their knowledge and experience with regard to transactions in financial instruments and investment services, about their investment objectives, their risk tolerance and their financial circumstances. Before executing an order and carrying out a transaction, the Bank is required to check, on the basis of the information available to it, whether the Client has sufficient theoretical knowledge and practical experience to be able to adequately assess the risks associated with the specific order or the intended transaction. The review may result in the Client pointing out what it considers to be a possible lack of appropriateness of the order or transaction. The order or transaction will then only be executed with the express consent of the Client. Experience and knowledge of the Client are determined on the basis of the information provided by the Client when establishing the commercial relationship and on the basis of the orders and transactions carried out. To the extent that general price and market information is made available to the Client by the Bank, this information is exclusively for the purpose of providing information on data from third parties which has not been subjected to any verification by the Bank. This data is subject to the Client's own assessment. The Client has no right or duty to obtain price or market information relevant to him.

3) No licensing or transfer of the hardware and software together with the Client's connection

For trading purposes, the Bank operates an electronic trading platform to which the Client may connect in order to transmit electronic orders and/or conclude transactions. For this purpose, the Client requires transmission and connection software (front-end software), which is operated on his electronic devices (hardware), and an Internet or proprietary online service with Internet access (connection and network access). The Client will ensure that the hardware, software and connection comply with the specifications and minimum requirements published by the Bank. The Bank does not provide the Client with any hardware and does not create any software, in particular no transmission and connection software (front end), nor does it provide the Client with its own or third-party software. The Client must test and acquire the software required for the use of the trading system (in particular frontends) himself, conclude corresponding licence agreements with third parties and operate, maintain and update the transmission and connection software himself. The same applies to connection and network access.

4) Type, frequency and timing of Client information on transactions, omnibus accounts, costs and products/Client duty to monitor all communication channels

The Client receives information on order executions, trades, fees, securities account balances, costs of order executions, realized and pending profits and losses, bookings and status of the trade balance (virtual account and securities account) and margin requirements online via the electronic trading system. In addition, the Client will receive a balanced end-of-day report the next day by email and/or mailbox from the electronic trading system, listing the information presented in the electronic trading system at the end of the previous day, as well as a financial report in the same manner and scope within two weeks after the end of the month. The Client is required to monitor their positions and the margin requirement at all times themselves and on his own responsibility and to ensure that the omnibus account is balanced without delay.

The Bank makes the information on cost transparency and on the products, consisting of the Pre-Trade Cost Calculator, the Cost Information Sheet and the Product Information Sheets (Key Information Documents KIDs), available to Clients on the website www.fxflat.com/de/cfdhandel/kosten-transparenz. In addition, there is further post-trade information such as post-trade cost transparency, which is posted to the trading system's mailbox within six weeks of the end of the quarter. For users of the FlatTrader platform, cost information is available on the trading platform.

The Bank concludes the execution transactions for commission orders or the commissioning of third parties with the commercial partners named in the current execution policy; since in the case of CFD contracts, futures and spot exchange transactions this is in each case a market maker or commissioned third party and the Client selects this as the commercial partner for the execution transaction when placing the order, the notice of the execution of an order for one of these classes of financial instrument is also deemed to be the designation of the commercial partner.

The Client is required to constantly check not only the mailbox of the trading system, but also the email account specified by

the Client and the email account used for correspondence with the Bank, in particular with regard to announcements of forced closures. This applies in particular, but not exclusively, to Clients who are not subject to margin requirements and hold positions that are at risk of becoming overnight, weekend or holiday positions. The Bank will not be liable for any loss of profit resulting from a corresponding forced closure.

5) Risk notice and warning of price fluctuations

CFD trading transactions, future transactions and spot foreign exchange transactions are associated with particular risks due to their specific characteristics or the transactions to be carried out. The following risks in particular are worthy of mention:

- Price change risk Contract/underlying
- Currency fluctuation risk
- Total risk of loss
- Credit risk (default risk or insolvency risk) of the market maker/commissioned third party/central counterparty

The price of a Client position is subject to fluctuations on the financial market over which the Bank has no influence. This means that a contract or the purchase or sale of a security cannot be revoked. In the case of an open position, the Client may be forced to close the position and suffer quite substantial losses in the event of a negative price trend. This applies in particular to overnight accommodation. Past returns and capital appreciation are not indicative of future returns and capital appreciation.

B) Main features of the contract

Law of the place where the commercial relationship and the contract came into being/legal venue: German law will apply. There is no contractual jurisdiction clause for private Clients.

Formation of the contract: The Client makes a binding offer to the Bank to conclude a contract for the conclusion of financial difference contracts (CFD trading) and spot foreign exchange transactions (FOREX trading) as well as future transactions by sending the completed and signed forms, these being received by the Bank and the Bank accepting this offer; acceptance is effected by activation of the trading system. Thus, the "Principles of the Commercial Relationship" and the respective "Special Conditions" apply to the commercial relationship between the Bank and the Client as well as to the individual transactions and orders.

Minimum duration of the contract: There is no minimum term, the period of notice is 1 month. In the event of termination, the Client must complete all contracts by the end of the period of notice. If the Client has not been active for 30 days and no contracts have been opened, his share of the financial assets in the omnibus account will be returned to him in accordance with banking supervisory regulations; contracts can then only be opened after a new deposit has been made.

Details of payment and execution

Omnibus account: Deposits and subsequent payments are to be made by the Client to the omnibus account. The Bank will credit or debit the Client's profits, losses and claims on this account on a net basis at least once a month. The credit balance on the omnibus account is a security or advance payment made by the Client in favour of the Bank for the order to conclude financial contracts for differences or securities transactions. Such collateral and advances from the Client

may be used by the Bank to settle claims of the market maker/central counterparty or appointed third parties and to settle all related claims. No interest is paid on the balances in the omnibus account. The Bank makes disbursements from the omnibus account to the reference account specified by the Client.

Trading account: In the electronic trading system, all transactions carried out by the Bank for or with the Client and existing positions - including unrealised profits/losses and claims - are displayed to the Client during the day and compiled in a daily report on the next trading day and listed monthly in the financial report and made available to the Client in the agreed form (mailbox of the electronic trading platform or email). The trading account alone is decisive for the status of mutual claims.

Opening and closing of contracts/fulfilments: The Bank executes commission transactions immediately after the conclusion of an execution transaction with the market maker/Central Counterparty or the Intermediary Commission Agent, whereby the claims and receivables from the execution transaction (profits and losses) are credited or debited to the Client's trading account as receivables or claims, including the Bank's receivables from the service.

Voluntary additional contributions by the Client: The Client may pay additional contributions into the omnibus account within the time limits specified in the "Special Conditions" in order to avoid the forced closure of a contract.

Trade-related notices: Notices relating to the Client's business activities, including open contracts and their valuation, forced closing notices as well as bookings to be made on the trading platform, will be sent to the Client in the agreed form (letterbox of the electronic trading platform or email).

Prices, costs and taxes

The current prices for the Bank's services, which are debited to the omnibus account as claims of the Bank, can be found in the "List of Prices and Services" valid at the time. Price changes will be made in accordance with the regulation on changes in the "Special Conditions for the Conclusion of Financial Contracts for Difference (CFD Trading) and Spot Foreign Exchange Transactions (FOREX Trading)". The currently valid "List of Prices and Services" is available on the Bank's website and will be sent on request.

In the case of commission orders in CFD trading, futures trading and spot exchange transactions, the Bank is entitled to charge the Client the fees to which it is entitled as a markup on the price quoted to it by the market maker. In this case, the Bank will therefore be entitled to inform the Client of the total price, consisting of the execution price and commission, and to debit the Client by debiting the omnibus account, as well as to pay the execution price to the market maker and to retain the fees. Alternatively, the market maker is entitled to add the fee due to the Bank to the price of the execution transaction and to transfer the commission share due to the Bank to the Bank and the Bank is entitled to receive the commission in this way.

The Client's costs, which are debited to the trading account as claims of the Bank, also include the "financing amount" in accordance with the "Special Conditions" in the case of over-night positions of the Client. This cost base can be viewed on

the Bank's website under "Contract Specifications".

The Client's costs also include the fact that his balance in the omnibus account does not earn interest, while he has to pay a late payment penalty of 8% p.a. in the event of a negative balance. The Client's costs also include the fact that, in the case of an omnibus account currency other than the currency of the underlying asset of a contract, a conversion is carried out in accordance with the exchange rate of the European Central Bank for the conversion of currencies from the base currency to the account currency valid for the relevant business day.

Any costs incurred by the Client, such as telephone or postage costs, will be borne by the Client. The Bank does not charge separate communication fees.

The income from the transaction is generally taxable. Depending on applicable tax law, capital gains and/or other taxes may be payable to the relevant tax authority on the disbursement of income and sales proceeds, thereby reducing the amount payable to the Client. In addition, taxes may be incurred that are not paid directly through the Bank. The Client instructs the Bank to automatically pay the applicable church tax, provided the Bank is aware of it. If the Client has any questions, he should contact his tax advisor or the tax authorities.

In addition, in the case of commission orders, the Bank receives a portion of the trading proceeds from the market makers, if any. For information on these allocations, see IV.

C) Specific information on the omnibus account and compensation arrangements

1) Omnibus account

In the commission business/order execution area, the Client's financial assets are deposited in a trust omnibus account in the Bank's name, there is a separation of company and client funds. An omnibus account is maintained at the Sparkasse Hilden-Ratingen-Velbert, Friedrichstraße 181, 42551 Velbert with IBAN DE79 3345 0000 0034 3610 22; BIC WELADED1VEL. Another Teuhand collective account is held with Societee Generale, 29 Boulevard Haussmann 75009 Paris France with IBAN FR76 3000 3049 7000 0011 32231 45, BIC SOGEFRPP. The separation of Client funds from each other is only carried out virtually at the Bank in the form of the maintenance of one trading account per Client. In addition, for payment services, there are collective escrow transfer accounts which the Client can use exclusively for deposit purposes and for which the Bank immediately makes a transfer to the above collective escrow transfer account. The fiduciary banks were immediately informed that these were not funds of FXFlat, but Client funds managed in trust by FXFlat. There are no funds of FXFlat on these accounts, Client assets and company assets are therefore separated. In the case of these accounts, which are intended for CFD commission trading, the Client funds are held in collective custody, i.e. a separate account is not maintained for each Client, but the funds of different Clients are held in collective custody in one account and there is only an accounting separation of the Client funds from each other.

The basic duty to keep the trust funds of the various Clients separate from one another serves to protect the trust

Client, since an accounting allocation of the individual funds to a Client is ensured by separate account management for each Client. In the event of insolvency, it may be easier to make a recovery claim if the account is maintained on a per Client basis than if it is merely segregated for accounting purposes on a per Client basis. However, the Client instructs that the funds in the omnibus account will not be held separately from the funds of other Clients. The Client's funds are used by the Bank to settle the margin and settlement requirements of the market maker or central counterparty, to cover commission fees and other claims against the Client. The Bank is entitled to debit the share attributable to the Client from the omnibus account for these claims and to collect and debit the amount due. Client funds in the omnibus account do not count in the context of the Bank's own assets or the assets of the fiduciary bank. In the event of the Bank's insolvency, the Bank's creditors may not use the trust funds to satisfy their claims. They are insolvency-proof to this extent. In the event of the insolvency of the fiduciary bank, the Client will become a creditor of the fiduciary bank and his claim for payment and surrender against the fiduciary bank will correspond to his share in the omnibus account or the balance of the omnibus account.

2) Statutory compensation schemes

a) FXFlat Bank AG

The Bank is a member of the Compensatory Fund of Securities Trading Companies (EdW), Behrenstraße 31, PO Box 10865, Berlin. The EdW is an institution created by the Investor Compensation Act (formerly: Deposit Guarantee and Investor Compensation Act) to safeguard the claims of investors. The EdW assumes the compensation of investors on behalf of the public in accordance with the above law and protects liabilities from securities transactions up to 90% of their value, up to a maximum of EUR 20,000.00 per creditor. Liabilities arising from securities transactions within the meaning of the EAEG are the duties of an institution to repay funds owed to or belonging to investors arising from securities transactions and held for their account in connection with securities transactions. This includes claims by investors for the surrender of instruments owned by them and held or retained in custody for their account in connection with securities transactions. For the financial instruments referred to include securities such as shares, certificates representing shares, bonds, profit participation certificates and warrants, derivatives, etc., the claim for compensation will be based on the amount and scope of the existing liabilities to the creditor arising from securities transactions, taking into account any rights of set-off and retention of the institution. When calculating the amount of the compensation claim, the amount of the funds and the market value of the financial instruments at the time of the occurrence of the compensation event are to be taken as a basis. The right to compensation does not apply if the funds are not denominated in the currency of an EU Member State and not in EUR. Within the above limit, the claim for compensation will also include the interest claims accrued until its fulfilment. Claims for damages due to consulting errors are not covered. Investors such as credit institutions and financial service providers, insurance companies, medium-scaled and large companies and public companies are not protected.

b) Omnibus account bank

(1) Indication of the extent of deposit protection provided by the institutions with which the omnibus accounts are held on a commission or execution basis:

Deposits with Sparkasse Hilden-Ratingen-Velbert, Anstalt des öffentlichen Rechts, Friedrichstraße 181, 42551 Velbert, are protected by an institution-related protection system. This has been recognised as a deposit guarantee scheme under the German Deposit Guarantee Act (Einlagensicherungsgesetz - EinSiG) since 3 July 2015. Contact details Deutscher Sparkassen- und Giroverband e.V.(DSGV) ,Sicherungssystem, Charlottenstraße 47, 10117 Berlin Germany, telephone +49 (0)30 202 25 0 or Simrockstraße 4, 53113 Bonn, Tel: 0049 2 28 2 04-0, Email: info@dsgv.de, <http://www.dsgv.de/sicherungssystem>. Deposits with Societe Generale, 29 Boulevard Haussmann 75009 Paris France, are protected by the statutory deposit guarantee fund (Fonds de Garantie des Dépôts et de Résolution), 65 Rue da la Victoire 75009 Paris France.

(2) Protection limit EUR 100,000 per depositor and credit institution.

(3) If you have several securities accounts with the same Bank: All your deposits with the same credit institution are "added up" and the total amount is subject to the EUR 100,000 limit. If you have a joint account with one or more persons, the EUR 100,000 limit applies to each individual depositor.

(4) Refund period in the event of default by a credit institution 7 working days since 01 June 2016.

(5) Currency of refund:EUR

(6) Your deposit is covered by a statutory deposit guarantee scheme and a contractual deposit guarantee scheme. In the event of the insolvency of your credit institution, your deposits will be returned in any case up to an amount of EUR 100,000. If a deposit is unavailable because a credit institution cannot meet its financial duties, depositors are compensated by the deposit guarantee scheme. The corresponding cover amount will not exceed EUR 100,000 per credit institution. This means that all deposits held with the same credit institution are added together when determining this amount. For example, if a depositor holds EUR 90,000 in a savings account and EUR 20,000 in a current account, he will only be reimbursed EUR 100,000.

For joint accounts, the limit of EUR 100,000 applies to each depositor. However, deposits in an account available to two or more persons as members of a partnership, association or similar unincorporated body will be aggregated for the purpose of calculating the EUR 100,000 limit and treated as the deposit of a single depositor. Deposits in excess of EUR 100,000 are protected in the cases set out in § 8(2) to (4) of the Deposit Protection Act.

Further information can be found on the website of the Entschädigungseinrichtung deutscher Banken GmbH at www.edb-banken.de and at the Deutscher Sparkassen und Giroverband e.V. (German Savings Banks and Giro Association) (DSGV), www.dsgv.de/sicherungssystem, as well as with regard to the French deposit guarantee at www.garantiedesdepots.fr

(7) If you have not received the refund within these time limits, you should contact the Deposit Guarantee Scheme, as the validity period for refund claims may have expired after a specific deadline.

(8) Deposits from retail and corporate Clients are generally covered by deposit guarantee schemes. The exemptions applicable to specific deposits are disclosed on the website of the relevant deposit guarantee scheme. On request, your Bank will also tell you whether or not specific products are covered. If the deposits are covered, the Bank will also confirm this on the account statement.

Liabilities for which the Bank has issued bearer instruments, such as bearer bonds and bearer certificates of deposit, and liabilities to credit institutions are not protected. Hedging of liabilities from securities transactions. If the Bank is unable to return the Client's securities in breach of its duties, the Client will have a claim for damages against the Entschädigungseinrichtung deutscher Banken GmbH in addition to the Bank's liability in the event of loss. The amount of the claim against the compensation scheme is limited to 90% of the value of these securities, but not more than the equivalent of 20,000€.

D) Execution principles in commission business and execution venues

The following commission execution policy represents the Bank's internal arrangements for obtaining the best possible result for the Client when executing orders. A breach of the duty of best execution does not apply if the Bank does not achieve the best possible result in an individual case despite executing the order in accordance with the execution policy. The Bank will act as agent in accordance with the relevant passages of the "Special Conditions" and accordingly conclude execution transactions or instruct third parties to conclude such transactions, who may in turn instruct third parties:

- CFD transactions/spot foreign exchange transactions: Finalto Trading Ltd, 20 Primrose Street, London, EC2A 2EW, United Kingdom (market maker).
- Future Business: PhillipCapital UK (trading as King&Shaxson Capital Limited), Candlewick House, 120 Cannon Street, London.
- For users of the FlatTrader platform: Societe Generale, Soc-Gen SA, 17 Cours Valmy, 92987 Paris da la Defense Cedex, France.

For both the price formation and the business activities of the market makers, intermediate commission agents, third parties or trading venues that lead to the conclusion of execution transactions for the account of the Client between the Bank and the market makers or third parties, we refer to the respective execution policies of the market makers or trading venues. Please check them at: www.fxflat.com/de/executionpolicy/.

Changes and additions will be announced on the trading platform. These market makers, appointed third parties or trading venues are accordingly the execution venue for the Client's orders; both the pricing and the business activities of the market makers, appointed third parties or trading venues leading to the conclusion of execution transactions for the Client's account between the Bank and the market makers or central counterparties are dependent on specific predetermined factors prevailing at the market makers and third parties, such as market movements and the valuation of the underlying, un-

sual market situations, hedging options of the market maker or the operational readiness and speed of the trading system of the market maker or statutory requirements of the central counterparty. The Bank has no influence on these factors. However, the Bank will review and regularly monitor the quality of execution at least once a year and, if necessary, work to remedying any deficiencies.

E) Requirement for professional Clients and eligible counterparties to make additional margin payments in CFD, futures and spot foreign exchange transactions

Margin call commitment when opening a "Professional Classic Account" for CFD, futures and spot exchange transactions for the first time or at a later date

For users of the "FlatTrader" platform, the account models described in the GTC, specific margin requirements and options for changing accounts apply (see GTC IV. A. 4). Professional Clients and Eligible Counterparties that fall under the Professional Classic Account Division are subject to margin calls. The margin call commitment means that the Client must settle all claims arising from the transaction carried out on his behalf, including all fees, even if they exceed the assets held by him with the Bank in the omnibus account. You are required to maintain a balance on the CFD, Futures and Spot FX Account at all times (including during the day) in such an amount as to cover any negative balance displayed on the Trading Platform at any time during the day and/or at the end of the day. The Client's duty to show a positive net margin position for each individual account exists at all times, irrespective of the Bank's business hours and the operating hours of the trading platform. Price and market movements may lead to an increased margin call at any time, even if the reference market of the underlying is closed. There is therefore a duty to make additional contributions. A forced closure does not release the Client from his duty to fulfil the contract and to make further payments. The Bank is entitled to order compulsory closures at its discretion, irrespective of the reported Client assets and the reported margin calculation. The Professional Client may request a switch to a margin-free account model at any time; however, the Bank is not required to conclude or maintain a contract.

1) First or subsequent "Professional Classic Account" without margin call commitment

For so-called Professional Clients and so-called Eligible Counterparties, if the account package "Professional Classic Account" is selected or if the trading assets exceed EUR 100,000, there is a margin call commitment, i.e. the Professional Client must settle all claims arising from the transaction carried out for him, including all fees, even if they exceed the assets held by him in the omnibus account with the Bank. The Client will be informed by the Bank of his classification as a Professional Client and of his allocation to the "Professional Classic Account". A Professional Client that is initially not subject to margin calls may become a Professional Client subject to margin calls if his trading assets exceed EUR 100,000; conversely, a Professional Client may again become a Professional Client not subject to margin calls by reducing his trading assets in a timely manner.

2) The regrouping of "Professional Plus Account" (without margin call) into "Professional Classic Account" (with margin call) - avoidance possibility

An "Initial Margin Call" arises if the Professional Classic Account service package is selected or if a deposit is made in the context of the establishment of a commercial relationship to a trust omnibus account prior to the issue of the first order for this trust omnibus account in the amount of more than EUR 100,000. Several individual deposit transactions will be deemed to constitute one deposit and the amount of EUR 100,000 will be exceeded if EUR 100,000 is credited to the fiduciary bank, notwithstanding any immediate deduction of fees by the fiduciary bank. The Client will be informed about the assignment to the service package "Professional Classic" in deviation from a choice of the service package "Professional Plus" by email and/or mailbox. If the "Professional Plus" service package is applied, the duty to make additional contributions arises if the total assets (equity) in the Client's omnibus account exceed EUR 100,000 at the end of the day and the Client does not transfer the total assets below EUR 100,000 to the reference account by means of a transfer order within 24 hours of receiving the information email about the regrouping into the "Professional Classic" service package. The end-of-day balance shown in the trading system under "Equity" or "Available balance" is decisive for the total assets, both for exceeding and for falling short within 24 hours. The Client will be informed of the imminent occurrence of the margin call and the imminent different allocation to the "Professional Classic" service package by email and/or postbox message, together with a reference to the possibility of avoiding the margin call by means of a transfer order to the reference account.

In general, the professional Client can apply to be classified as a private Client with effect for the future and thus change to a margin-free account model; however, FXFlat is not required to conclude or change the contract.

3) Duty of the Client to monitor the email account and the mailbox

The Client is required to constantly check not only the mailbox of the trading system, but also the email account specified by the Client and the email account used for correspondence with the Bank.

4) Duty to make additional contributions also for positions entered into and orders placed prior to the regrouping

All open positions and orders which were concluded prior to the application of the "Professional Classic" service package with the associated margin call fall within the scope of the "Professional Classic" service package, i.e. they are subject to a margin call if the closing of these positions takes place after the application of the "Professional Classic" service package. For the margin requirement, therefore, it is not the entering into the position or the order (regrouping into the absence of a margin requirement) that matters, but the closing of the position.

All open positions and orders which were concluded prior to the application of the "Professional Plus" service package with the associated exemption from margin calls continue to fall within the scope of the "Professional Classic" service package and are therefore subject to margin calls even if these positions are closed after the application of the "Professional Plus" service package. This means that it is not the entry of the position or order that is relevant for the margin liability (regrouping into margin liability), but the closing of the position.

IV. HANDLING CONFLICTS OF INTEREST AND INFORMATION ON ALLOCATIONS

A) Receipt and award of allocations

In the following, the Bank provides information on the handling of conflicts of interest and on benefits received and granted. The Bank endeavours to identify and avoid conflicts of interest that may arise between itself and Clients in connection with its business activities and to inform Clients of any unavoidable conflicts of interest. The Bank has identified the following circumstances as material potential conflicts of interest:

By pricing in the spread as a market maker and charging corresponding mark-ups on the spread - in addition to the revenue needed to fund market making - the Bank might be willing to minimize the price change risk of the contract, which translates into increased risk on the Client's side. In the case of Client orders to conclude transactions, a potential conflict of interest is that the Client may be induced by the commission interest to engage in extensive trading activity by employees. In addition, there are potential conflicts of interest arising from general business activities, whereby potential conflicts of interest may arise, for example, from cooperations (in particular, allocations from market makers), the receipt of or the allocation of benefits.

a) The Bank will receive the following allocations

The Bank receives payments from market makers and commissioned third parties for the execution of Client orders. For each transaction in transaction types or instruments,

the Bank may receive a share of up to 50% of the profit that the market makers make from the execution business. The Bank will provide further details on request. The Client agrees that the above contributions may be made by the market maker to the Bank and received by the Bank and will remain with the Bank. For this purpose, it is agreed that possible surrender claims of the Client against the Bank or the market maker will not arise under any circumstances. This serves to maintain and expand the technical infrastructure as well as the wide range of services and cost-effective order execution.

b) Allocations awarded

With the Client's consent, the Bank grants benefits within the meaning of the Banking Act to cooperation partners and tied agents. These allocations consist of a percentage of the fees paid by the Client to the Bank. The cooperation partner or tied agent receives up to 0.00175% of the volume traded by the Client in CFDs and in forex transactions (buying and selling) per batch (unit: 100,000) an allocation of up to USD 4.00, plus agreed mark-ups, if applicable. The exact amount of the allocation will be communicated to the Client on request. The Client agrees that the above contributions are made by the Bank and remain with the cooperation partner or tied agent. This serves to maintain and expand the technical infrastructure as well as the wide range of ser-

vices and cost-effective order execution.

B) Dealing with conflicts of interest

The Bank has taken precautions to avoid conflicts of interest. This includes refraining from providing investment advice and thus from the inherent risk of inducing the Client to place an order, as well as control procedures with regard to the quality of price formation by market makers and commissioned

third parties. In addition, the Bank obliges its employees to provide services carefully and honestly, with due regard for the interests of the Client. Further precautions of FXFlat are the establishment of an independent compliance office, which controls the adherence to internal, statutory and contractual requirements in dealing with Clients. This includes the disclosure and control of private transactions of all employees. In addition, employees receive regular training.

V. RIGHT OF REVOCATION AND CONSEQUENCES OF REVOCATION

The Client may revoke the declaration of intent directed to the conclusion of the contract on the conclusion of CFD transactions and spot exchange transactions (FOREX trading) and future transactions and the associated services as follows, whereby in the case of several persons entitled to revocation, the right of revocation will accrue to each of them individually:

Right of revocation

You can revoke your contractual declaration within 14 days without giving reasons by a clear declaration. The period begins after receipt of this instruction on a durable data medium, however not before conclusion of the contract and also not before fulfilment of our duties to supply information in accordance with Article 246b § 2 paragraph 1 in connection with Article 246b § 1 paragraph 1 EGBGB and also not before fulfilment of our duties to supply information in accordance with Article 246b § 2 paragraph 1 in connection with § 1 paragraph 1 number 7 to 12, 15 and 19 as well as Article 248 § 4 paragraph 1 EGBGB. To meet the revocation deadline, it is sufficient to send the revocation in good time if the declaration is made on a permanent data medium (e.g. letter, fax, email). The revocation must be addressed to: FXFlat Bank AG, Kokkolastraße 1, 40882 Ratingen, Germany, telephone 02102-100494-00, fax 02102-100494-90, email: service@fxflat.com.

Consequences of revocation

In the event of an effective revocation, the services received by both parties will be returned. If you overdraw your account without having been granted an overdraft facility or if you exceed the overdraft facility granted to you, we may not recover from you any charges or interest in excess of the amount of

the overdraft or excess if we have not properly informed you of the terms and consequences of the overdraft or excess (e.g. applicable debit interest rate, charges). You are required to pay compensation for the value of the service rendered up to the time of revocation if you were made aware of this statutory consequence before submitting your contractual declaration and expressly agreed that we should commence with the execution of the service in return before the end of the revocation 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 revocation expires prematurely if the contract has been completely fulfilled by both parties at your express request before you have exercised your right of revocation. Duties to refund 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 revocation of this Agreement, you will also no longer be bound by any related agreements if the related agreement is for a service provided by us or a third party based on an agreement between us and the third party.

END OF THE REVOCATION DETAILS

There is no right of revocation for individual transactions with financial instruments whose price is subject to fluctuations on the financial market over which the Bank has no influence and which may occur within the revocation period.

END OF INFORMATION ON THE CONTRACT AND RELATED SERVICES

VI. DATA PROTECTION NOTICES UNDER ARTICLES 13, 14 AND 21 OF THE GENERAL DATA PROTECTION REGULATION - NOTICE

Which of your data is processed in detail and how it is used depends largely on the services you have requested from us or agreed with us. On the website www.fxflat.com/de/datenschutz/ we inform you about the processing of your personal data by us and about the claims and rights to which you are entitled under the data protection regulations. The responsible office is FXFlat Bank AG, Kokkolastr. 1, 40882 Ratingen, Germany. Tel 02102-100494-00, Fax 02102-100494-90, Email: service@fxflat.com. You can reach our Data Protection Officer at: datenschutz@fxflat.com.

Every data subject has the right to information under Article 15 of the GDPR, the right to rectification under Article 16 of the GDPR, the right to erasure under Article 17 of the GDPR, the right to restriction of processing under Article 18 of the GDPR and the right to data portability under Article 20 of the GDPR. The restrictions according to §§ 34 and 35 BDSG apply to the right to information and the right to deletion. In addition, there is a right of appeal to a data protection supervisory authority (Art. 77 GDPR in conjunction with § 19 BDSG).