

WpHG-INFORMATION

FXFlat Bank GmbH pursuant to §63 (7) WpHG

Pursuant to §63 (7) of the German Securities Trading Act (WpHG), securities services companies – and thus also FXFlat Bank GmbH – are required to provide clients with detailed information. We fulfil this duty as follows:

1. INFORMATION ABOUT THE COMPANY

FXFlat Bank GmbH is a securities institution licensed by the German Federal Financial Regulator BaFin (Bundesanstalt für Finanzdienstleistungsaufsicht).

Scope of licence

FXFlat Bank GmbH is licensed under §15 WpG for financial commission business (§2 para. 2 no. 1 WpG; §2 para. 8 p. 1 no. 1 WpHG), proprietary trading (§2 para. 2 no. 10 WpG; §2 para. 8 p. 1 no. 2 c) WpHG), investment brokerage (§2 para. 2 no. 3 WpG; §2 para. 8 p. 1 no. 4 WpHG), acquisition brokerage (§2 para. 2 no. 5 WpG; §2 para. 8 p. 1 no. 3 WpHG), investment advice (§2 para. 2 no. 4 WpG; §2 para. 8 p. 1 no. 10 WpHG) and financial portfolio management (§2 para. 2 no. 9 WpG; §2 para. 8 p. 1 no. 7 WpHG).

FXFlat Bank GmbH

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Register-Nr. HRB 101710 / Amtsgericht Düsseldorf

Vorstände: Rafael Neustadt, Andreas Hana

Languages

The client can communicate with FXFlat Bank GmbH in German and receive documents and other information from it in German.

Communication options

The client can communicate with FXFlat Bank GmbH electronically as well as by email. The order is placed through the respective platform used by the client.

FXFlat Bank GmbH will provide the client with the mandatory information required by law through the account management set up on its website and exclusively in electronic form.

Regulator

FXFlat Bank GmbH is supervised by the Federal Financial Regulator BaFin (Bundesanstalt für Finanzdienstleistungsaufsicht) (Internet: www.bafin.de).

Addresses:

Gaurheindorfer Str. 108, 53117 Bonn

Marie-Curie-Str. 24-28, 60439 Frankfurt/M.

2. SERVICES

FXFlat Bank GmbH currently only provides financial commission business. The services of investment advice, investment and acquisition brokerage, financial portfolio management and proprietary trading are not offered.

FXFlat Bank GmbH offers its clients the possibility of placing commission orders with it within the scope of various products, such as CFD business (Contracts for Difference), spot exchange business, futures business and financial commission business on securities accounts, which FXFlat Bank GmbH forwards to third parties for execution in its own name and for the account of the client. The details of the order execution result from the business-specific framework agreements concluded with the client or the special conditions underlying the respective transaction.

In connection with the execution of commission orders, FXFlat Bank GmbH will not provide investment advice to the client. FXFlat Bank GmbH will accordingly only carry out an appropriateness check for the non-advisory orders placed by the client, i.e. check whether the client has the knowledge and experience required for the specific transaction. If this is not the case, FXFlat Bank GmbH will draw the client's attention to the lack of appropriateness of the transaction before executing the order. The order or transaction is then only carried out after explicit approval by the client.

3. CLIENT CATEGORIES

According to the provisions of the Securities Trading Act (WpHG), all clients of an investment services company such as FXFlat Bank GmbH must be classified into client categories. Clients within the meaning of the statutory provisions are, in addition to natural persons, also legal entities for which investment services or ancillary investment services are provided or initiated. The information and clarification duties of FXFlat Bank GmbH depend on the classification of the client. On this basis, FXFlat Bank GmbH has formed the following client categories:

Private clients

For clients in this category, the highest level of protection applies with the most extensive information and clarification duties for FXFlat Bank GmbH. FXFlat Bank GmbH in principle classifies its clients as private clients. FXFlat Bank GmbH will notify the client in writing of a classification that derogates from this

in individual cases, which requires the fulfilment of the corresponding requirements.

Professional clients and suitable counterparties

In the case of clients who have been assigned to these Client categories, professional experience and knowledge of financial instruments are available, so that limited information and clarification duties apply to FXFlat Bank GmbH.

Changing the client category

The change to another client category can be requested by the client in text form. However, changing to a category with a lower level of protection is only possible under certain conditions. Professional clients can agree to be classified as a private client to obtain a higher level of protection.

4. RISK INFORMATION ON FINANCIAL INSTRUMENTS

Financial instruments have differences in opportunities and risks depending on the type of product. A description of the special features of the individual products can be found in our "Risk information", which is available on FXFlat Bank GmbH website.

5. COSTS

The costs and ancillary costs of the services provided by FXFlat Bank GmbH that are relevant for the client are listed in the respective list of prices and services of FXFlat Bank GmbH.

The client receives information on the costs and incidental costs of the financial instrument before placing orders, which shows the effect of the costs on the return in addition to the total costs.

6. PROTECTION OF CLIENT FUNDS

FXFlat Bank GmbH, as it does not have a licence for deposit business pursuant to §1 (1) sentence 2 no. 1 of the Banking Act (KWG), is required pursuant to §84 of the German Securities Trading Act (WpHG) to take appropriate measures to protect Client funds and to inform the clients in this regard. FXFlat Bank GmbH accordingly provides the client with the following information:

Collective escrow account

In the commission business/order execution area, the client's financial assets are deposited in a collective escrow account held in the name of FXFlat Bank GmbH; there is a separation of FXFlat Bank GmbH funds and client funds. It was immediately disclosed to the fiduciary banks that these were not funds of FXFlat Bank GmbH, but client funds held in trust by FXFlat Bank GmbH. There are no funds of FXFlat Bank GmbH in these respective accounts; client assets and company assets are accordingly separate. In the collective trust account, the client funds are held collectively, i.e. a separate account is not kept for each client, but the funds of different clients are held there collectively in one account and there is only an accounting separation of the client funds from each other. The basic duty to keep trust funds of the various clients separate from each other serves to protect the fiduciary client, since an accounting allocation of the individual funds to a client is secured by separate account management for each client. In the event of insolvency, the assertion of a claim for restitution in the case of account

management for each individual client may be easier than in the case of a mere accounting separation per client. The client will nevertheless give instructions by means of an individual contractual agreement that the funds in the collective trust account will not be held separately from the funds of other clients.

A collective escrow account exists at Sparkasse Hilden-Ratingen-Velbert, Friedrichstrasse 181, 42551 Velbert with IBAN DE79 3345 0000 0034 3610 22; BIC WELADED1VEL. At FXFlat Bank GmbH, the separation of client funds from each other only takes place virtually in the form of the management of a trading account for the individual client.

The funds of the client serve FXFlat Bank GmbH to settle the margin and fulfilment requirements of the market maker or central counterparty, to cover commission fees and other claims against the client. FXFlat Bank GmbH is entitled to debit the share of the collective escrow account attributable to the client for these claims and to collect and debit the amount due. The client funds in the trust account count neither as FXFlat Bank GmbH's own assets nor as the fiduciary bank's own assets.

In the event of insolvency of FXFlat Bank GmbH, creditors of FXFlat Bank GmbH may not use the trust funds to settle their claims. They are insolvency-proof to that extent. In the event of the insolvency of the fiduciary bank, the client becomes a creditor of the fiduciary bank; his claim for payment and return against the fiduciary bank corresponds to his share in the collective escrow account.

FXFlat Bank GmbH will exercise the necessary care and dili-

gence in the selection, commissioning and regular monitoring of the fiduciary bank and, as part of its duty of care, will examine the need to divide the client funds among various third parties. In particular, FXFlat Bank GmbH must take into account the professional suitability and reliability as well as the relevant provisions and market practices of the fiduciary bank in connection with the holding of client funds.

For this purpose, FXFlat Bank GmbH has made internal organisational arrangements and agreements with the fiduciary bank in order to ensure - through records and correct bookkeeping (i.e. in particular by keeping the settlement accounts for each client) - an allocation of the funds held by FXFlat Bank GmbH to the individual client at any time and to be able to regularly reconcile its records and bookkeepers with the records of the fiduciary bank. In particular, under the agreements with the escrow bank, FXFlat Bank GmbH is entitled to a right of inspection and access to the escrow collective account at any time in order to minimise the risk of loss or partial loss of client funds or associated rights due to breaches of duty. The fiduciary bank has, for example, waived its own security interests in the collective escrow account with respect to FXFlat Bank GmbH.

FXFlat market makers are:

Amana Capital Ltd., 12 Makarios Avenue III, Kristelina House Office 302, 4000 Mesa Geitonia, Limassol, Cyprus, Investors' funds are protected through the Investor Compensation Fund (I.C.F.) - Investor Compensation ICF for IF Clients, 19 Diagorou Str., 1 st floor, 1097 Nicosia, Cyprus.

The maximum amount of compensation paid to applicants who are deemed eligible for compensation is EUR 20,000.

The collective trust account is held with Barclays Bank PLC, account number GB87 BARC 2000 0045 5715 33.

Investor funds are protected by the Deposit Guarantee Scheme (DGS), Central Bank of Ireland.

StoneX Europe Ltd., 2 Nikokreontos Street, 5th Floor, 1066 Nicosia, Cyprus.

Investors' money is protected via the Investor Compensation Fund (I.C.F.) - Investor Compensation ICF for IF Clients, 27 Diagorou Str., 1097 Nicosia, Cyprus.

The maximum amount of compensation paid to applicants who are deemed eligible for compensation is EUR 20,000.

The collective trust account is held at Barclays Bank PLC, account number GB68 BARC 2019 9053 5693 55.

Investor funds are protected by the Deposit Guarantee Scheme (DGS), Central Bank of Ireland.

GBE Brokers Ltd., 11 Thessalonikis Aiga Zoni, 3025 Limassol, Cyprus.

Investors' funds are protected via the Investor Compensation Fund (I.C.F.) - Investor Compensation ICF for IF Clients, 19 Diagorou Str., 1 st floor, 1097 Nicosia, Cyprus.

The maximum amount of compensation paid to applicants who are deemed eligible for compensation is EUR 20,000.

The escrow account is held at Raiffeisenbank Bank International AG, account number AT62 3100 0001 5661 1049.

Investor funds are protected by Österreichische Raiffeisen-Sicherungsanstellung eGen.

Philip Capital Inc., CBOT, 141 West Jackson Boulevard, Suite 1531 A, Chicago, IL 60604.

Investor funds are protected through the Securities Investor

Protection Corporation (SIPC), 1667 K St. NW, Suite 1000 Washington, DC 20006-1620.

The maximum amount of compensation paid to applicants who are deemed eligible for compensation is \$ 500,000 (USD). Protected is cash in a customer's account that is on deposit for the purchase of securities; and „securities“ as defined in the Securities Investor Protection Act. Das Treuhandsammelkonto besteht bei der Citibank UK Ltd, Kontonummer GB17CLT18500813181723.

Investor funds are protected by the Financial Services Compensation Scheme ("FSCS").

Finalto Financial Services Ltd., 20 Primrose Street, London, EC2A 2EW, United Kingdom.

Investor funds are protected by the Financial Services Compensation Scheme (FSCS), 10th Floor Beaufort House, 15 St Botolph Street, London, EC3A 7QU.

The maximum amount of compensation that will be paid to claimants who are deemed eligible for compensation is £85,000.

The collective trust account is held with Barclays Bank PLC, account number GB26BARC20199059454422.

Investor funds are protected by Deposit Guarantee Scheme (DGS), Central Bank of Ireland.

Interactive Brokers Ireland Ltd., 10 Earlsfort Terrace Dublin, D02 T380 Ireland.

Investors' funds are protected by the Irish Investor Compensation Scheme (ICS), c/o Central Bank of Ireland, PO Box 11517, Spencer Dock, North Wall Quay Dublin 1, Ireland.

The ICS is aimed at private individuals and does not cover institutional or professional clients. Compensation under the ICS is limited to 90% of the amount lost, with a maximum amount of EUR 20,000 per investor.

The collective trust account is held with J.P. Morgan SE, account number DE72 5011 0800 6231 4128 15.

Investor funds are protected by the Entschädigungseinrichtung deutscher Banken GmbH (EdB).

Statutory compensation schemes

a) FXFlat Bank GmbH

FXFlat Bank GmbH is registered as a securities institution with the Compensatory Fund of Securities Trading Companies EdW (Entschädigungseinrichtung der Wertpapierhandelsunternehmen), 10865 Berlin (Tel: 030/203 699 5626, Fax: 030/203 699 5630, Email: mail@e-d-w.de, Website at <http://www.e-d-w.de>). Further details can be found on the "Deposit Guarantee Information Sheet".

b) Collective escrow account bank

(1) Note on the scope of deposit protection by the institutions where the fiduciary collective accounts are held in the commission business or order execution business:

Deposits at Sparkasse Hilden-Ratingen-Velbert, Anstalt des öffentlichen Rechts, Friedrichstrasse 181, 42551 Velbert, are protected by an institution-related guarantee system that is officially recognised as a deposit guarantee system. Contact details Deutscher Sparkassen- und Giroverband e.V.(DGSV), Sicherungssystem, Charlottenstr. 47, 10117 Berlin Germany, Tel: +49 (0)30 202 25 0 or Simrockstr. 4, 53113 Bonn, Tel: 0049 2 28 2 04-0, Email: info@dsgv.de, <http://www.dsgv.de/sicherungssystem>.

Further details can be found on the "Deposit Guarantee Infor-

7. PRINCIPLES FOR THE EXECUTION OF ORDERS IN FINANCIAL INSTRUMENTS

Preliminary remark

Pursuant to §82 of the German Securities Trading Act (WpHG), an investment services company that executes its clients' orders for the purchase or sale of financial instruments is required to endeavour to execute the orders optimally. FXFlat Bank GmbH does not execute its clients' orders itself, but forwards them to third parties for execution. Thus, the execution policies of the executing institutions, e.g. the custodian banks or other mandated entities, apply to the execution of client orders.

Selection of the executing institutions

In order to comply with its legal duties, FXFlat Bank GmbH selects the executing institutions in such a way that their execution policies ensure the best possible order execution in order to achieve the best possible result for the client. The best possible result is based on the total fee, which results from the price for the financial instrument and all costs associated with the execution of the order, including the fees and charges of the execution venue, the costs for clearing and settlement and all other fees.

Prior to selection, FXFlat Bank GmbH obtains the execution policies of the executing institutions and checks them against the following criteria:

- Prices of the financial instruments (buying and selling prices);
- Total costs of order processing;
- Speed of order processing;
- Probability of order execution;
- Practicability of electronic settlement platforms;
- Quality of the electronic data exchange within the framework of an interface as well as the other services that ensure effi-

cient and optimal cooperation between FXFlat Bank GmbH and the executing institution in the interest of the client.

Selected facilities

To ensure that the best possible result is achieved for its clients, FXFlat Bank GmbH has currently selected the following facilities for the execution of orders in financial instruments:

1. Finalto Trading Ltd, London (UK) (CFD transactions/spot exchange transactions);
2. StoneX Europe Ltd; Hadjikyriakion Building 1, 121 Prodromou Avenue, 2064 Stovolos, 1st Floor, Office 123/124, Nicosia, Cyprus
3. Scope Markets Capital Ltd; Gladstonos 116, M. Kyprinou House, Floor 3 & 4, Cyprus;
4. Amana Capital Ltd; Kristelina House, 3 Floor, 12 Archiepiskopou, Makariou III, Mesa Geitonia, 4000, Limassol, Cyprus
5. PhillipCapital UK (trading name of King & Shaxson Capital Limited), 120 Candlewick House, Cannon Street, London (United Kingdom) (Futures);
6. Interactive Brokers Ireland Limited, New Wapping Street North Wall Quay, North Dock, Dublin, D01 F7X3, Ireland Dublin (Ireland) (Financial Commission Business Securities Account)

Review of the execution policies

FXFlat Bank GmbH will review the above execution principles at least once a year. Significant changes will be notified to the client without delay.

FXFlat Bank GmbH will also regularly monitor whether the commissioned third parties execute the orders in accordance with the precautions taken and, if necessary, rectify any deficiencies.

8. INFORMATION ON HOW TO DEAL WITH CONFLICTS OF INTEREST

Within the scope of the securities services provided by FXFlat Bank GmbH, conflicts of interest cannot be fundamentally ruled out. In accordance with the requirements of §63 (2) of the German Securities Trading Act (WpHG), FXFlat Bank GmbH informs its clients below about its precautions for dealing with these conflicts of interest.

Conflicts of interest can arise between FXFlat Bank GmbH and its clients, the relevant persons employed by FXFlat Bank GmbH or associated with FXFlat Bank GmbH, including the management, persons associated with FXFlat Bank GmbH through control and other third parties in the securities services provided by FXFlat Bank GmbH.

FXFlat Bank GmbH has taken precautions to ensure that potential conflicts of interest between FXFlat Bank GmbH, the management and employees of FXFlat Bank GmbH or other persons directly or indirectly linked to FXFlat Bank GmbH through control, and the client or between the clients themselves do not affect the client's interests.

Conflicts of interest may arise in particular

- from FXFlat Bank GmbH's own (revenue) interest in the sale of financial instruments;
- when receiving or granting benefits from third parties or to

third parties in connection with investment services for the client;

- through performance-related remuneration of the management and/or employees of FXFlat Bank GmbH;
- when granting benefits or performance-related remuneration to employees and agents of FXFlat Bank GmbH as well as third parties who provide FXFlat Bank GmbH with clients;
- from relationships of FXFlat Bank GmbH, e.g. with issuers of financial instruments or in the case of cooperations;
- by obtaining information that is not public knowledge;
- from relationships under company law between FXFlat Bank GmbH and other companies or shareholders;
- from other business activities of FXFlat Bank GmbH;
- from personal relationships of the employees or the management of FXFlat Bank GmbH or persons associated with them or
- in the case of participation of these persons in supervisory or advisory directors.

FXFlat Bank GmbH and its employees have committed themselves to high ethical standards in order to avoid the risk of compromising Client interests resulting from potential conflicts

of interest. FXFlat Bank GmbH expects diligence and honesty at all times, lawful and professional conduct, compliance with market standards and, in particular, consistent attention to Client interests.

FXFlat Bank GmbH as an investment services company itself, as well as the management, are required in accordance with the legal basis to provide investment services honestly, fairly and professionally in the interests of the client and to avoid conflicts of interest as far as possible.

In detail, FXFlat Bank GmbH takes the following measures to avoid conflicts of interest:

- Disclosure of the costs and incidental expenses associated with the provision of investment services and the financial instruments so that the total costs and their effect on the return on the investment are apparent;
- Establishment of organisational procedures to safeguard the client's interest;
- Continuous control of all transactions that FXFlat Bank GmbH carries out, executes and forwards for its clients;
- Execution of orders on the basis of the "Principles for the Execution of Orders in Financial Instruments" established by FXFlat Bank GmbH;
- Disclosure of the existence, nature and extent of benefits that FXFlat Bank GmbH receives from or grants to third parties;
- Establishment and monitoring of internal rules for personal transactions, require all managers and employees to comply with them and disclose accounts, deposits and personal transactions;
- Provisions on the acceptance of gifts and other benefits (gifts-and-entertainment-policy);
- Continuing education of management and staff.

Insofar as these organisational precautions are not sufficient in individual cases to avoid the risk of impairment of the client's

interest, FXFlat Bank GmbH will explain the general nature and origin of the conflict of interest to the client before carrying out a transaction.

FXFlat Bank GmbH would like to draw the attention of its clients to the following points in particular:

- FXFlat Bank GmbH receives payments from market makers and commissioned third parties for the execution of client orders. For each transaction in transaction types or instruments, FXFlat Bank GmbH may receive a share of up to 50% of the profit generated by the market makers from the execution transaction. FXFlat Bank GmbH will provide the client with further details on request. FXFlat Bank GmbH uses the grants to maintain and expand the technical infrastructure and the wide range of services as well as the cost-effective execution of orders. The collection of these payments and grants or other incentives serves to provide and further develop an efficient and high-quality infrastructure (i.e. in particular the app) for the acquisition, observation and disposal of a wide range of financial instruments for the client.
- Finally, FXFlat Bank GmbH may receive free benefits from other service providers, such as financial analyses or other information material, training and, in some cases, technical services and equipment for accessing third-party information and dissemination systems. The receipt of such benefits is not directly related to the services provided to the client; FXFlat Bank GmbH uses these benefits to provide its services in the high quality claimed by the client and to continuously improve them.

If conflicts of interest are nevertheless unavoidable in individual cases, FXFlat Bank GmbH will point this out to the client. on request of the client, FXFlat Bank GmbH will provide further details on these possible conflicts of interest.