COMMODITY FUTURES TRADING COMMISSION RULE 1.55(K):

DISCLOSURE DOCUMENT

The Commodity Futures Trading Commission (Commission) requires each futures commission merchant (FCM), including GAIN Capital Group, LLC ("GAIN Capital"), to provide the following information to a customer prior to the time the customer first enters into an account agreement with the FCM or deposits money or securities (funds) with the FCM. Except as otherwise noted below, the information included in this document is as of September 24, 2021 and financial metrics as of August 31, 2021, which represents the most recently available figures at this time of the writing. GAIN Capital will update this information at least annually and will endeavour to make all required intra-year updates within 30 days, including but not limited to, change in Sr. Management, any material change to its business operations, financial condition or other factors that GAIN Capital believes may be material to a customer's decision to do business with the company. Nonetheless, GAIN Capital business activities and financial data are not static and will change in non-material ways frequently throughout any 12-month period.

GAIN Capital contact information in accordance with CFTC Regulation 1.55 (k)(1)

GAIN Capital's corporate headquarters is located at Bedminster One, 135 US Highway 202/206, Bedminster, NJ 07921. The general support phone line is (877)-367-3946 for domestic clients, and (908)-731-0750 for international clients. The fax number is (908)-731-0701. GAIN Capital can also be contacted via email at Support@GainCapital.com.

GAIN Capital is a member of the National Futures Association ("NFA"), NFA ID#: 0339826. The NFA's website is www.NFA.Futures.Org

Gain Capital Group, LLC's Principals in accordance with CFTC Regulation 1.55(k)(2)

Alexander R. Bobinski Jr., Chief Executive Officer
Bedminster One, 135 US Highway 202/206, Bedminster, NJ 07921

Mr. Bobinski manages the overall business, strategy, and growth initiatives for GAIN Capital.

Mr. Bobinski started his career at GAIN Capital in August 2005 as the CFO. He served as CFO until November 2012. Mr. Bobinski became CCO of GAIN Capital in July 2006 and CEO in September 2012 representing the position he currently holds today. Mr. Bobinski became registered as a principal & associated person of GAIN Capital in June 2006 & July 2006 respectively (NFA ID: 0371364). In addition to managing GAIN Capital, Mr. Bobinski holds several other positions in the GAIN Capital group of companies.

Prior to joining GAIN Capital, Mr. Bobinski operated his own consulting business and served in leadership positions at the following brokerage companies: Futures Accounting and Consulting Services (Owner: March 2005 – July 2005); Refco, LLC (CFO: January 2002 – February 2005); Nomura Securities International (VP & Controller: July 1990 – December 2000); Elders Futures, Inc (Manager, Financial & Regulatory Reporting: January 1989 – June 1990); Bridgewater USA (Controller & Compliance Director: March 1988 – December 1988); the National Futures Association (Auditor: 1986-1988). Mr.

Bobinski is a Certified Public Accountant and holds a B.S. in business administration and accounting from Ramapo College of New Jersey.

Benjamin Greenfield, Chief Financial Officer
Bedminster One, 135 US Highway 202/206, Bedminster, NJ 07921

Mr. Greenfield has managed GAIN Capital's finance and accounting department in various capacities since October 2013. Most recently, Mr. Greenfield was appointed as the CFO and registered as a principal with NFA in July 2019 (NFA ID: 0523160).

Prior to joining GAIN Capital, Mr. Greenfield held various roles for the public accounting firm Deloitte between 2010-2013. Also, he served as an Adjunct Professor of Accounting at Fairleigh Dickinson University Silberman College of Business between 2010-2017. Mr. Greenfield is a Certified Public Account and holds a M.S. in Accounting from Fairleigh Dickinson University and a B.A. in Religion/Religious Studies from Haverford College.

Maria Concepcion Arena, Head of Regulatory Reporting & Treasury
Bedminster One, 135 US Highway 202/206, Bedminster, NJ 07921
Ms. Arena manages all treasury and regulatory reporting matters for GAIN Capital. Ms. Arena was previously appointed as the CFO and became registered as a principal of GAIN Capital in November 2012 (NFA ID: 0445185), a position she held until June 2019. Ms. Arena has also held various managerial positions within the Accounting, Finance, and Regulatory Reporting teams since joining GAIN Capital in 2006.

Prior to joining GAIN Capital, Ms. Arena served in leadership positions at the following brokerage firms: Refco, LLC (Manager, Regulatory Reporting: 2002 – 2006); Nomura Securities International (Regulatory Reporting & Accounting: 1991-2002). Ms. Arena is a Certified Public Accountant with a B.S. in Business Administration and Accounting from Baruch College.

Glenn Swanson, President Futures Division
100 South Wacker Drive, Suite 1225, Chicago, Illinois 60606

Mr. Swanson heads the Futures division of GAIN Capital. Mr. Swanson started his career at GAIN Capital in May 2014 and subsequently registered as a principal and associated person (NFA ID: 0251994).

Prior to joining GAIN Capital, Mr. Swanson held senior positions in the following brokerage firms: Infinity Brokerage Services (Vice President: 1995 – 1997); FuturesOnline (Senior Vice President: 1997 – 1999); Daniels Trading (President: 1999 – Current). Mr. Swanson holds a B.S. in Business Administration from Washington University in St. Louis.

Michael Frey, Chief Compliance Officer – Forex Division
Bedminster One, 135 US Highway 202/206, Bedminster, NJ 07921

Mr. Frey has been managing the Compliance Department at GAIN Capital since September 2013, and was appointed as CCO in December 2014, representing the position that he currently holds. Mr. Frey oversees compliance related functions at GAIN Capital, including but not limited to the CCO responsibilities defined by CFTC Regulation 3.3.

Mr. Frey started his career at GAIN Capital in January 2007 and served as a member of the Compliance Department until February 2011. After his first tenure at GAIN Capital, Mr. Frey held compliance control positions for the AML & Client

Onboarding teams at BNP Paribas (February 2011-February 2013) & JPMorgan Chase (February 2013-September 2013). Mr. Frey holds a B.S. in Finance from Fairleigh Dickinson University.

GAIN Capital’s product offerings in accordance with CFTC Regulation 1.55(k)(3)

GAIN Capital is a global provider of trading services and solutions, specializing in over-the-counter foreign exchange and metals products, or OTC FX and metals, and exchange-traded futures and options on futures markets. GAIN Capital services retail and institutional customers worldwide and conducts business from its offices in New York, New York ; Bedminster, New Jersey; Chicago, Illinois; and Powell, Ohio. GAIN Capital has invested considerable resources since its inception in developing its proprietary trading platforms to provide its customers with advanced price discovery, trade execution and order management functions. Today GAIN Capital’s customers can trade through web-based, downloadable and mobile trading platforms and have access to innovative trading tools to assist them with research and analysis, automated trading and account management. GAIN Capital offers its customers access to a diverse range of financial products, including OTC foreign exchange, or forex, OTC precious metals, as well as futures and options on futures. As of August 31, 2021 GAIN Capital has committed approximately 56% of its assets to its foreign exchange offering and 44% of its assets to its futures and options on futures offering. The Company allocates its capital in a manner generally consistent with its asset allocation.

On July 31, 2020, StoneX Group Inc (NASDAQ: SNEX) completed the acquisition of GAIN Capital Holdings, Inc. (NYSE: GCAP) ("GAIN" or the "Company"). StoneX Group Inc.

Click on the below link to read the press release:
https://ir.gaincapital.com/news-releases/news-release-details/stonex-group-inc-closes-acquisition-gain-capital- holdingsinc

GAIN Capital Group LLC is planning to transfer its Futures Division, including all futures customer accounts to its affiliate, StoneX Financial Inc. (NFAID: 0476094). The transfer is expected to be completed by October 1, 2021.

GAIN Capital’s accounts, markets traded, international business, clearing houses, carrying brokers and policies & procedures regarding depositories, custodians and counterparties in accordance with CFTC Regulation 1.55 (k)(4)

GAIN Capital offers its forex, futures, and options on futures services to a wide array of account types including: individuals, joint accounts, corporate accounts, IRA, Commodity Trading Advisor (“CTA”), and commodity fund accounts. Although our current account base is mainly comprised of self-directed retail traders, GAIN Capital also serves many institutional, agricultural and hedge accounts. GAIN Capital provides access to most major futures and options of futures exchanges in the United States and internationally. GAIN Capital conducts its futures and options on futures business as a non-exchange clearing member and has established omnibus clearing relationship with its affiliate StoneX Financial Inc., a registered FCM. The products traded by our clients include: Indices, Energies, Currencies, Financials, Grains, Meats, Metals and Softs.

GAIN Capital utilizes banks, prime brokers, and its affiliated FCM to act as custodians and counterparty to client and firm assets. In selecting a bank depository, prime broker and/or FCM to act as counterparty, GAIN Capital will undertake a thorough review of an institution’s capitalization, creditworthiness, operational reliability, and access to liquidity. Additionally, GAIN Capital will review credit rating and outlook as published by selected third part ratings agencies, if available, and undertakes additional diligence in regard to the institution’s profitability, share price, and analyst recommendations. The depository review will also include the availability if deposit insurance and the extent of the regulation and supervision of the depository. As part of GAIN Capital’s counterparty risk mitigation measures, GAIN

Capital seeks to diversify client and firm assets across an array of custodians to reduce its exposure to counterparty failure of any one institution. As of the date this document was written, we have obtained a comfort level with our banks and clearing broker and will continue to assess the counterparty risk and diversify assets amongst multiple counterparties in the future. In addition to considering factors that could negatively impact segregated and secured funds required, we considered the counterparties where assets are held as a risk factor. Such counterparties generally include banks and clearing brokers. GAIN Capital's current policy requires that it attempt to limit deposits at any such counterparty and perform regular counterparty reviews to assess counterparty default risk.

GAIN Capital's quantitative and qualitative disclosures about market risk

Key Financial Metrics

As of August 31, 2021 GAIN Capital maintained $57.1 million in Adjusted Net Capital representing 190% of Net Capital required. The Balance Sheet Leverage calculated in accordance with NFA Financial Requirements Section 16 Information was 2.31. (Total Assets less Amounts to be Segregated and Secured divided by Ownership Equity). As of August 31, 2021, GAIN Capital did not utilize any available subordinated debt and did not have any loans payable, contingent liabilities and/or material commitments. GAIN Capital's liabilities primarily consist of payable to customers transacting forex, futures and options on futures; accounts payable and accrued expenses and payables to affiliates.

Investment of Customer Funds

GAIN Capital solely invests client and firm assets in 1.25 eligible investments as defined by CFTC regulation. GAIN Capital considers all highly liquid investments with a maturity of 90 days or less to be a cash or cash equivalent. As of August 31, 2021, client and firm assets were deposited in cash and cash equivalents (cash, money market funds), all of which were available upon demand within 24 hours.

Interest Rate Risk

Interest rate risk arises from the possibility that changes in interest rates will impact our consolidated financial statements. Our net interest revenue is directly affected by the short-term interest rates we earn from re-investing our cash and our customer's cash. As a result, a portion of our interest income will decline if interest rates fall. Short-term interest rates are highly sensitive to factors that are beyond our control, including general economic conditions and the policies of various governmental and regulatory authorities. The interest rates earned on firm and customer cash and cash equivalent deposits and investments as noted above impacts our interest revenue.

Foreign Currency Exposures

Currency risk arises from the possibility that fluctuations in foreign exchange rates will impact the value of our earnings and assets. Entities that have assets and liabilities denominated in currencies other than the primary economic environment in which the entity operates are subject to re-translation.
We monitor our exchange rate exposure and may make settlements to reduce our exposure. We do not currently take proprietary directional market positions.

Historically we have experienced relatively small impacts due to the composition of our balance sheets and the lack of volatility between exchanges rates in the jurisdictions in which we operate. Our exposure to foreign currency exchange rates may increase in the future and we may consider entering into hedging transactions to mitigate our exposure to foreign currency exchange rates. These hedging transactions may not be successful.

Credit Risk

Our trading operations require a commitment of our capital and involve risk of loss because of the potential that a customer's losses may exceed the amount of cash in their account. As a result, we require that each trade must be collateralized in accordance with our margin policies described below. Each customer is required to have minimum funds in their account for opening positions, which we refer to as the initial margin, and for maintaining positions, which we refer to as maintenance margin, depending on the product being traded. Margin requirements are expressed as a percentage of the customer's total position in that product, and the customer's total margin requirement is based on the aggregate margin requirement across all the positions that a customer holds at any one moment in time. Each net position in a particular product is margined separately. Accordingly, we do not net across different positions, thereby following a conservative margin policy. Our systems automatically monitor each customer's margin requirements in real time. We typically confirm that each of our customers has sufficient cash collateral in his or her account before we execute their trades, although we may execute trades for certain of our futures clients that are not fully collateralized if we are otherwise reasonably satisfied with their creditworthiness. If at any point in time a customer has "negative equity" because his or her trading position does not comply with the applicable margin requirement, the position may be automatically liquidated, partially or entirely, in accordance with our margin policies and procedures. This policy protects both us and the customer. The incidence of negative equity in customer accounts has historically been immaterial to our operations. Our margin and liquidation policies are set forth in our customer agreements.

We are also exposed to potential credit risk relating to the counterparties with which we hedge our trades associated with our retail foreign exchange dealer business and the banking/financial institutions with which we deposit cash. We mitigate these risks by establishing counterparty limits and by transacting with several of the largest financial institutions in the world. In the event that our access to one or more hedging counterparties becomes limited, our ability to hedge may be impaired.

Market Risk

Because we act as counterparty to our retail OTC customers' transactions, we are exposed to risk on each trade that the market price of our position will decline. Accordingly, accurate and efficient management of our net exposure is a high priority, and as such we have developed both automated and manual policies and procedures to manage our exposure. These risk-management policies and procedures are established and reviewed regularly by the Risk Committee of our Board of Directors. Our risk-management policies require quantitative analyses by currency pairs and other OTC products offered, as well as assessment of a range of market inputs, including trade size, dealing rate, customer margin and market liquidity. A key component of our approach to managing market risk is that we do not initiate market positions for our own account in anticipation of future movements in the relative prices of products we offer. To aid in facilitating our risk-management activities, we maintain levels of capital in excess of those currently required under applicable regulations.

Cash Liquidity Risk

In normal conditions, our market making business of providing online forex trading and related services is self-financing as we generate sufficient cash flows to pay our expenses as they become due. As a result, we generally do not face the risk that we will be unable to raise cash quickly enough to meet our payment obligations as they arise. Our cash flows, however, are influenced by customer trading volume, currency volatility and liquidity in foreign currencies pairs and other OTC products offered in which we have positions. These factors are directly impacted by domestic and international market and economic conditions that are beyond our control. In an effort to manage this risk, we have secured a substantial liquidity pool by establishing trading relationships with multiple financial institutions. These relationships provide us with sufficient access to liquidity to allow us to consistently execute significant trades in varying market conditions at the notional amounts our customer's desire by providing us with as much as 50:1 leverage on the notional amounts of our available collateral we have on deposit with such financial institutions. We generally maintain collateral on deposit, which includes our funds and our customers' funds.

In addition, our trading operations involve the risk of losses due to the potential failure of our customers to perform their obligations under the transactions we enter with them, which increases our exposure to cash liquidity risk. To reduce this risk, our margin policy requires that we mark our customers' accounts to market each time the market price of a position in their portfolio changes and provides for automatic liquidation of positions, as described above.

Operational Risk

Our operations are subject to broad and various risks resulting from technological interruptions, failures or capacity constraints in addition to risks involving human error or misconduct. Regarding technological risks, we are heavily dependent on the capacity and reliability of the computer and communications systems supporting our operations. We have established a program to monitor our computer systems, platforms and related technologies and to promptly address issues that arise. We have also established disaster recovery facilities in strategic locations to ensure that we can continue to operate with limited interruptions in the event that our primary systems are damaged. As with our technological systems, we have established policies and procedures designed to monitor and prevent both human errors, such as clerical mistakes or incorrectly placed trades, as well as human misconduct, such as unauthorized trading, fraud or negligence. In addition, we seek to mitigate the impact of any operational issues by maintaining insurance coverage for various contingencies.

Regulatory Capital Risk

Various domestic and foreign government bodies and self-regulatory organizations responsible for overseeing our business activities require that we maintain specified minimum levels of regulatory capital. If not properly monitored or adjusted, our regulatory capital levels could fall below the required minimum amounts set by our regulators, which could expose us to various sanctions ranging from fines and censure to imposing partial or complete restrictions on our ability to conduct business. To mitigate this risk, we continuously evaluate the levels of regulatory capital and adjust the amounts of regulatory capital as necessary to ensure compliance with all regulatory capital requirements. These requirements may increase or decrease from time to time as required by regulatory authorities. We also maintain excess regulatory capital to provide liquidity during periods of unusual or unforeseen market volatility, and we intend to continue to follow this policy. In addition, we monitor regulatory developments regarding capital requirements so that we may be prepared for increases in the required minimum levels of regulatory capital that may occur from time to time in the future.

Regulatory Risk

We operate in a highly regulated industry and are subject to the risk of sanctions from U.S., federal and state, and international authorities if we fail to comply adequately with regulatory requirements. Failure to comply with applicable regulations could result in financial, operational and other penalties. Our authority to conduct business could be suspended or revoked. In addition, efforts to comply with applicable regulations may increase our costs or limit our ability to pursue certain business opportunities. Federal and state regulations significantly limit the types of activities in which we may engage.

Technological Risk

Cybersecurity attacks across industries, including ours, are increasing in sophistication and frequency and may range from coordinated individual attempts to measures targeted specifically at us. These attacks include but are not limited to, malicious software or viruses, attempts to gain unauthorized access to, or otherwise disrupt, our information systems, attempts to gain unauthorized access to proprietary information, and other electronic security breaches that could lead to disruptions in critical systems, unauthorized release of confidential or otherwise protected information and corruption of data. Cybersecurity failures may be caused by employee error, malfeasance, system errors or vulnerabilities, including vulnerabilities of our vendors, suppliers, and their products. We have been subject to cybersecurity attacks in the past, including breaches of our information technology systems, and may experience them in the future, potentially with more frequency or sophistication.

Risks Related to GAIN Capital affiliates

To the extent GAIN Capital transacts with affiliates and/or maintains accounts with affiliates, GAIN Capital would be subject to the same risks associated with third party clients as noted above. In general, affiliates that transact with GAIN Capital are subject to the same risk mitigations practice and margin practices noted above.

GAIN Capital's DSRO and Financial Statements in accordance with CFTC Regulation 1.55 (k)(6)

GAIN Capital's Designated Self-Regulatory Organization is the National Futures Association. The NFA website may be accessed at www.nfa.futures.org.

GAIN Capital's annual financial statements are available at:
http://futures.gaincapital.com/brokerage/fcmfinancials.cfm

Gain Capital's material administrative, civil, enforcement actions taken in the last 3 years in accordance with CFTC Regulation 1.55 (k)(7)

On August 7, 2019 the National Futures Association ("NFA") ordered GAIN Capital Group, LLC ("GCG") to pay a $50,000 fine based on a complaint issued by the NFA's Business Conduct Committee ("BCC"), alleging that GCG did not in a timely manner favourably adjust all customer accounts adversely impacted by a technical issue affecting the MetaTrader 4 FX trading platform. GCG corrected the technical platform issue and adjusted all adversely affected customers before the complaint was issued. GCG settled the matter without admitting or denying any of the allegations and agreeing to adopt procedural enhancements going forward. This matter is now resolved.

On September 29, 2020, GAIN Capital Group, LLC ("GCG") entered into a Settlement Agreement with the US Commodity Futures Trading Commission ("CFTC") to settle charges that GCG's Futures Division did not adequately supervise trading activity for accounts introduced by an Independent Introducing Broker between 2014 and 2016. During this period, GCG failed to adequately supervise the implementation of its trade move policy in certain instances. As part of the settlement, GCG agreed to pay the CFTC a monetary penalty of $300,000.

GAIN Capital's overview of customer fund segregation and secured locations, collateral management and investments in accordance with CFTC Regulation 1.55 (k)(8)

As required by CFTC regulation, GAIN Capital ensures that it maintains segregated and secured assets in specifically designated accounts that exceeds its obligation to such customers at all points in time. GAIN Capital seeks to maintain excess funds over and above pre-determined residual interest amounts in segregated and secured locations ("Target Amounts") as defined by its internal policy. To help ensure that such Target Amounts are maintained, GAIN Capital prepares a daily calculation of its segregation and secured amount requirements and monitors factors that may negatively impact the pre-determined Target Amounts on an intraday, daily and/or periodic basis. In reviewing the factors that could negatively impact the Target Amounts and excess funds in segregated and secured locations, GAIN Capital analyzes the following criteria: client creditworthiness, accounts under margin historically, markets and products traded by customers and associated volatility and liquidity, liquidity and resources, historic segregated and secured requirement levels, counterparty risk and customer debits and deficits. Finally, all disbursements that exceed 25% of GAIN Capital's Target Amounts that are not for the benefit of the customers are required to be pre-approved by the CEO and the VP, Regulatory & Treasury and must subsequently be reported to CFTC in accordance with CFTC regulations.

As noted above, GAIN Capital solely invests customer and firm assets in 1.25 eligible investments as defined by CFTC regulation. GAIN Capital considers all highly liquid investments with a maturity of 90 days or less to be a cash or cash equivalent. As of August 31, 2021, client and firm assets were deposited in cash and cash equivalents (cash, money market funds and US T-bills less than 90 days to Maturity) as well as marketable securities (US T-bills greater than 90 Days to maturity), all of which were available upon demand within 24 hours. Investments of segregated funds included cash on deposit at banks and other FCMs as well as US Government Securities with maturities up to 12 months. Additional financial information, including how GAIN Capital invests and holds customer segregated funds, may be found on the National Futures Association website by clicking here.

Clients trading on non-US exchanges whose assets are deposited in secured asset locations may be subject to additional risks. In the event of insolvency of the FCM, or the insolvency or a foreign broker or foreign depository that is holding customer funds, customer funds held in foreign jurisdictions may be subject to a different bankruptcy regime and legal system than if the funds were held in the U.S. In addition, a customer is also subject to fellow customer risk in foreign jurisdictions and that, for purposes of bankruptcy protection, a customer that trades only in one country or in one market is also exposed to fellow customer risk from losses that may be incurred in other countries and other markets.

GAIN Capital information regarding filing a complaint with the CFTC or NFA in accordance with CFTC Regulation 1.55 (k)(9)

A customer that wishes to file a complaint about GAIN Capital and/or one of its employees with the Commission can contact the Division of Enforcement either electronically at https://forms.cftc.gov/fp/complaintform.aspx or by calling the Division of Enforcement at 866-366-2382.

A customer that wishes to file a complaint about GAIN Capital and/or one of its employees with the National Futures Association can contact the NFA electronically at http://www.nfa.futures.org/basicnet/Complaint.aspx or by calling NFA directly at 800-621-3570.

GAIN Capital financial information provided in accordance with CFTC Regulation 1.55 (k)(10)

In conjunctions with GAIN Capital's FCM business we are required to provide certain financial metrics as of the most recent month end. As of August 31, 2021, please note the following:

Description	Amount
Total Equity (Total Shareholder Equity)	172,882,912
Regulatory Capital (Adjusted Net Capital)	57,091,273
Net Worth (Net Capital)	58,600,397
Proprietary Margin Requirements / Customer Margin Requirements-Futures	0
Proprietary Margin Requirements / Customer Margin Requirements-Secured	0
Proprietary Margin Requirements / Customer Margin Requirements-Cleared Swaps	N/A
# of Futures Segregated Customers greater than 50% of all Futures Segregated Customers	116
# of Futures Secured Customers greater than 50% of all Futures Secured Customers	2
# of Cleared Swaps Customers greater than 50% of all Cleared Swaps Customers	N/A
Aggregate Notional Value of all non-hedged, principal OTC transactions by the FCM	0
Unsecured Lines of Credit and Short Term Funding Obtained But Not Yet Drawn Upon	$0
Aggregate Financing Provided to Customers in Illiquid Financial Products	N/A
12 Month Segregated Customer Debit/Deficit Expense Written Off as Uncollectable as a % of Total Segregated Customer Liability	0%
12 Month Secured Customer Debit/Deficit Expense Written Off as Uncollectable as a % of Total Secured Customer Liability	0%
12 Month Cleared Swaps Customer Debit/Deficit Expense Written Off as Uncollectable as a % of Total Cleared Swaps Customer Liability	N/A

FCMS and RFEDS must file monthly financial reports with the CFTC's Division of Swap Dealer and Intermediary oversight (DSIO) within 7 business days after the end of the month. Selected financial information from these reports is published by the CFTC please visit https://www.cftc.gov/MarketReports/financialfcmdata/index.htm to access the data.

GAIN Capital Summary of Risk Practices, controls and Procedures in accordance with CFTC Regulation 1.55 (k)(11)

In addition to the identified risks and mitigation measures noted above under CFTC regulation 1.55 (k)(4), GAIN Capital established a Risk Management Program ('RMP') in accordance with CFTC Rule 1.11 that addresses at a minimum the market, credit, liquidity, foreign currency, legal, operational, settlement, segregation, technological and capital risk areas. The RMP discusses the processes for monitoring and mitigating the various risks associated specifically with GAIN Capital's futures segregated and secured customers. The RMP is administered by the Risk Management Unit ('RMU'). The RMU provides quarterly Risk Exposure Reports to senior management and subsequently files the reports with the CFTC. The RMP must be reviewed & tested at least annually by qualified internal audit staff or qualified third-party audit service. **See below for a summary of GAIN Capital's key futures risk management policies:**

New Accounts Review: Upon reviewing a new account application, GAIN Capital seeks to obtain a high level of transparency and understanding of the respective client. By attaining this transparency and understanding GAIN Capital obtains a complete view of what the client's intent and purpose is for the relationship and this aids in determining an assessment of risk versus return on each client. All accounts approved for account opening are required to meet a robust set of criteria in accordance with our Client On-Boarding Procedures and Anti Money Laundering Policies and Procedures.

Credit Risk: The New Accounts Department with the aid of the Risk Department is responsible with evaluating and monitoring the creditworthiness of a counterparty to ensure they meet GAIN Capital's credit review criteria. The Risk Department is also charged with providing ad hoc credit analysis on trading partners and other credit related issues as deemed appropriate. After a counterparty evaluation is completed, the Risk Department establishes the appropriate risk limits at the client level.

Client Tiering: Clients are segmented into a tier classification and are stress tested for risk purposes accordingly. Clients may be subject to margin multiples in excess of exchange minimum requirements at the sole discretion of GAIN Capital.

Market Risk: Market risk represents the loss in value of customer's portfolios and financial instruments due to adverse changes in market conditions. The responsibility of the Risk Department is to identify customers on a continuous basis that may have established positions that result in market risk that is beyond their financial means, also known as risk exposure. The Risk Department is also responsible for escalations and distributing periodic reports that identify these customers in each business line.

Pre-Trade Risk: GAIN Capital's Risk Department is responsible for establishing procedures aimed at setting pre-trade risk control limits in the order entry systems. Risk control limits are based on the clients' exposure, concentration or correlation of positions, collateral on deposit and creditworthiness of the customer. The Risk Department amends pre-trade risk control limits as deemed appropriate based on the criteria noted above and performs required periodic assessments of such risks.

Trade Desk Execution: GAIN Capital's order entry procedures and trade practices must be adhered to at all times. Frontend systems used by Associated Person's must have max trade order entry limits enabled and floor direct trade tickets must be submitted for key-punch as soon as possible if not immediately.

Floor Trading and Give-In Trade: In addition to undergoing a strict credit review, GAIN Capital's Risk Department employs an enhanced intra-day monitoring procedure for all accounts conducting Give-in trades via third party brokers.

Post Trade Risk-Monitoring and Reporting: Market risk monitoring is primarily achieved by evaluating and addressing risks through the use of stress testing, SPAN risk analysis, scenario shocks, open interest reports, debit reports, P&L erosion reports, large intraday trades reports as well as others. GAIN Capital has integrated proprietary and third-party risk management systems to assist in intraday monitoring and has created and continues to create a suite of monitoring reports aimed at reducing the risks associated with its futures business. Additionally, GAIN Capital has created automated intraday risk system alerts that identify potential risk issues which are escalated to appropriate personnel in near real-time.

Day Trading: Client must maintain a net liquidating value in their account of the greater of $100 for the micro contract and $500 for all other contracts or 5% of the exchange requirements at all times or the account may be liquidated.

Stress Testing: GAIN Capital has established procedures for stressing client portfolios in order to provide for a consistent evaluation of all its futures clients. Stressing parameters are set at the product level as well as the customer level and are applied to both price and volatility. The risk system generates an analysis, which calculates the P&L at multiple deviations which allows for performing analysis of worst-case scenarios.

Spread Risk: The Risk Department reviews position spreads that have a high level of continuous correlation such as, currency pairs, index spreads, commodity spreads and strips that may be properly weighted and stressed as a packaged position. The Risk Department will determine the appropriate stressing criteria to be used for spread risk. The factors are based on the risk profile of the trader, the volume and open interest and any other relevant fundamental factors deemed applicable.

Escalation of Risk Issues: All accounts that are considered a risk issue of any kind must be dealt with in a timely manner. Working on resolving issues without delay will decrease the chances of the issue escalating and is advantageous to all parties concerned. GAIN Capital has established escalation procedures involving Senior Management as deemed applicable.

Margin: Each customer account is required to comply with the initial and variation margin requirements imposed by GAIN Capital, which will be equal to or greater than the margin requirements established by the Exchange on which customer transactions are executed and cleared. Ensuring that all accounts are properly margined at all times is critical to GAIN Capital's operations. The Risk Department will establish initial and maintenance margin requirements for each account at the time the account is opened. GAIN Capital reserves the right to raise initial and maintenance margin levels at any time.

Margin Call: The Risk Department monitors compliance with applicable customer margin limits and associated margin calls. Automated daily margin calls are generated and issued by our systems directly to the client. GAIN Capital also attempts to contact all calls deemed significant via telephone in a timely manner. Once on a margin call, a customer account is placed on liquidation only based on the Risk Department's established procedures. Failure to meet a margin call in a timely manner will result in the liquidation of a customer's position(s).

Firm Level Risk: In addition to monitoring position risk at the client level, a daily review of customer portfolios as well as the combined portfolio across all customers is performed. This policy helps to mitigate the firms open interest concentration exposure to various sectors and regions.

GAIN Capital Summary of risks associated with its Forex Dealer Member ("FDM") acting as counterparty to eligible contract participants (ECP) in accordance with NFA Compliance Rule 2-36.

In general, we view the key risks associated with acting as counterparty to ECP clients consistent with the risks that exist for our retail client base. As of August 31, 2021, GAIN Capital did not have any affiliate ECP forex accounts on its books. Additionally, GAIN Capital did not have any non-affiliate ECP accounts on its books that were not acting in the capacity of a dealer. GAIN Capital requires that all non-affiliate ECPs acting as a dealer be regulated entities in the jurisdiction in which they operate. The key risks resulting from GAIN Capital's acting as counterparty to non-affiliate ECPs acting as a dealer are: 1) Debit/Deficit risk 2) Market making losses due to volatility 3) System performance/outage issues and 4) Manual input error. To effectively manage these risks, GAIN Capital performs the following:

1. **Debit/Deficit risk**

   To mitigate the risk of non-affiliate ECPs acting as a dealer from going in to deficit, GAIN Capital will employ several risk reducing measures which may include all or some of the following measures: 1.) auto liquidation of the non-affiliate ECPs acting as a dealer underlying client accounts for failure to meet NFA's minimum required margin; 2.) requiring margin requirements be maintained in excess of NFA's minimum margin requirements; 3.) issuance of intra-day margin calls; 4.) placing an account on reduce only; or 5.) liquidation of all or a portion of open position(s). All non-affiliate ECPs acting as a dealer are monitored proactively throughout the trading day.

2. **Market making losses due to volatility**

   GAIN Capital's risk management policy is designed to accurately execute client transactions and aggregate the resulting exposure. GAIN Capital has developed a risk policy over time that addresses both high and low volatility environments, news events and weekends when markets are closed. The over-riding principle for the risk mandate is to be constantly looking to reduce the firm's exposure and achieve the commercial goals of the firm. The risk policy dictates both exposure and P/(L) targets that are executed by the market making team. The surveillance of these parameters makes up a high percentage of the daily duties of the trading team. Strict adherence to the policy is a requisite. There is no proprietary trading and there is very little decision making done by the trading group. Executions are predefined in advance based on stress testing and other factors.

3. System performance/outage

Although there is always a risk that unanticipated volume surges can exceed the systems' anticipated capacity, we make best efforts to monitor, test, and scale all our systems in order to provide the best possible client experience. The system has been designed to be scalable to a level that exceeds current demands to a level that can meet the needs of a market much larger than the size of our current market. The aspects of capacity planning process may include: 1.) baseline figures for acceptable client experience and infrastructure utilization; 2.) continual and periodic review of trade/order execution process time; 3.) real-time monitoring as well as historical trend analysis of infrastructure utilization; and 4.) actions to scale systems in the areas of network, trade execution servers, database systems, data room HVAC, power and power continuity. Capacity is continually reviewed by both our Platform Operations Team as well as the individual engineering teams. Additionally, GAIN Capital has defined a process for developing, maintaining and testing contingency plans for business processes in the event of IT service interruptions that are outlined in the company BCP/DR Plan.

4. Manual input error

GAIN Capitals trading system is designed to set limits for each customer based on customer account settings including factors such as: margin threshold based on NFA requirements, margin utilization, margin funds availability, quantity, and order type. Additionally, large orders, typically >$10,000,000 notional value are first sent to the trade desk for manual review to insure accuracy of pricing before client confirmation on larger exposures. Additionally, the client is limited to a maximum "per click" trade size on the platform in order to help avoid potential fat finger errors on the part of the client.