

## FDM PUBLIC DISCLOSURES

The National Futures Association (“NFA”) requires each Forex Dealer Member (“FDM”), including GAIN Capital Group, LLC (“GAIN Capital”), to make the following information publicly available on its website. Unless otherwise noted, the information included in this document is as of January 11, 2021. 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 12month period.

***(i) Name, title, business background, areas of responsibility, and the nature of the duties of each person that is a listed principal of the Forex Dealer Member;***

**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 Accountant 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 and 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.

**Tim O’Sullivan, Chief Risk Officer**

Park House, 16 Finsbury Circus, London, UK, EC2M 7EB

Mr. O’Sullivan serves as the Global Head of Risk Management for GAIN Capital and is responsible for developing, implementing and overseeing the global risk policies of the firm. Mr. O’Sullivan started his career at GAIN Capital as the Chief Dealer for Gain Capital Group, LLC in March 2000.

Prior to joining Gain, Mr. O’Sullivan served in senior positions at the following global financial institutions: Merrill Lynch (Director, NY Sterling Desk: 1993-2000); Standard Chartered Bank (Trader: 1986-1993), holding several significant positions during his tenure, including running forward books in DEM and trading spot Far East and exotic currencies. Mr. O’Sullivan holds a B.S. from the University of Delaware.

**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.

**(ii) A discussion of the significant types of business activities and product lines engaged in by the Forex Dealer Member, and the approximate percentage the Forex Dealer Member's assets and capital used in each type of activity**

GAIN Capital is a global provider of trading services and solutions, specializing in over-the-counter, or OTC, and exchange-traded markets. Gain Capital services retail and institutional customers worldwide and conducts business from its offices in Bedminster, New Jersey; New York City, New York; 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 foreign exchange, or forex, precious metals, as well as futures and options on futures on more than 30 global exchanges. As of December 31, 2019, GAIN Capital has committed approximately 89% of its assets to its foreign exchange offering and 11% of its assets to its futures and options on futures offering.

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/financialcmdata/index.htm> to access the data.

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-capitalholdings-inc>

**(iii) A discussion of the Forex Dealer Member's business on behalf of its customers, including types of customers, markets and currencies traded, international businesses, prime brokers and/or liquidity providers used, and the Forex Dealer Member's policies and procedures concerning the choice of bank depositories, custodians and counterparties to permitted transactions under CFTC Regulation 1.25;**

GAIN Capital offers its Forex services to a wide array of account types including: individual, joint, corporate, IRA, Commodity Trading Advisor ("CTA") and commodity funds. Our current client base is mainly comprised of retail self directed customers; however, we also have institutional and managed account offerings. 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 relationships with INTL FC Stone, RJ O'Brien, E D & F Man Capital Markets. The products traded by our clients include: Indices, Energies, Currencies, Financials, Grains, Meats, Metals and Softs.

GAIN Capital utilizes banks and prime brokers to act as custodians and counterparties to client and firm assets and to act as liquidity providers. GAIN Capital has established Prime Broker relationships with JPMorgan Chase, UBS, & Citibank. In selecting a new bank/broker depository 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 ratings and outlooks as published by selected third part ratings agencies if available and undertake additional diligence regarding the institution's profitability, share price, and analyst recommendations. The depository review will also include the availability of deposit insurance and the extent of the regulation and supervision of the depository. As part of our 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 liquidity providers and will continue to assess the

counterparty risk and diversify assets amongst multiple counterparties in the future. GAIN Capital utilizes the same counterparty review procedures when assessing counterparties for permitted transactions under CFTC Regulation 1.25. 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 December 31, 2019, 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 included cash on deposit at banks and other FCMs, money market funds, as well as US Government Securities with maturities up to 12 months.

***(iv) A discussion of the material risks associated with the Forex Dealer Member acting as a counterparty to eligible contract participants (ECP) as defined in Section 1a(18) of the Act, including any risks created by the Forex Dealer Member's affiliates and other ECPs acting as dealers;***

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, 2020, 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.

### **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 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.) realtime 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 on larger exposures. Additionally, the client is limited to a maximum "per click" trade size to help avoid potential fat finger errors on behalf of the client.

### ***(v) A discussion of any pending or completed material administrative, civil, enforcement or criminal complaints or actions filed against the Forex Dealer Member during the last three years;***

On August 7, 2019 the National Futures Association ("NFA") ordered GAIN Capital Group, LLC ("GAIN Capital") to pay a \$50,000 fine based on a complaint issued by the NFA's Business Conduct Committee ("BCC"), alleging that GAIN Capital did not in a timely manner favorably adjust all customer accounts adversely impacted by a technical issue affecting the MetaTrader4 forex 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.