

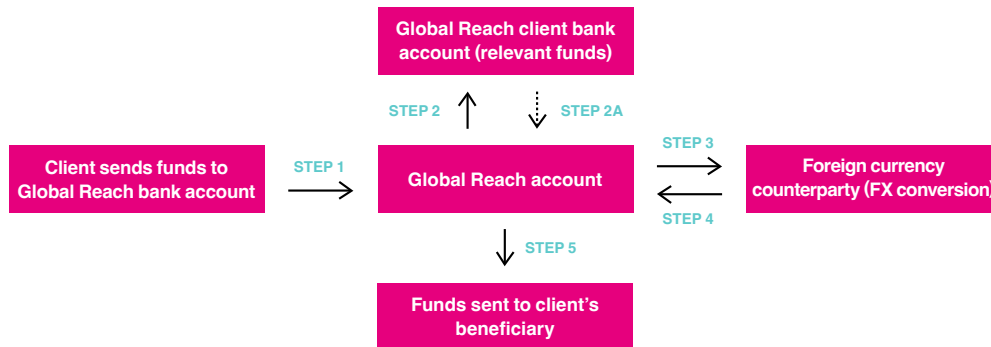
How Global Reach protects client funds

We have implemented a combined method of safeguarding using both segregated trust accounts and A-rated London market insurers to protect your funds. It's important to note that only funds known as 'relevant funds' are safeguarded and therefore protected. Money due and payable to the firm or transferred as initial or variation margin does not fall within the definition of client money and is not safeguarded.

When we receive funds in relation to a trade, relevant funds are moved into a segregated client account, in line with the Payment Services regulations. Those client accounts are not commingled with firm money and in the unlikely event of administration, no other creditors can have access to these funds. All funds within these accounts can only be used to distribute to clients. We conduct daily reconciliations to ensure that the client balances as per our internal records corresponds to the funds held in the client accounts.

Depending on the model operated by the currency provider you choose, this may impact when your funds are protected, it is important you understand how your provider safeguards funds.

FUNDS FLOW



Step 1 Client sends funds to Global Reach for a payment service or foreign exchange transaction.

Step 2 Funds are considered 'relevant' unless identified as initial or variation margin or due and payable to the firm. Relevant funds will be moved to and segregated in the Global Reach client bank account on the day of receipt and identified as relevant funds and they will remain as safeguarded funds until no longer considered relevant (Step 2). Once no longer considered relevant, funds will be moved out of the Global Reach client bank account. (Step 2A).

Step 3 For foreign exchange transactions, due and payable funds that have been moved under Step 2 to the Global Reach account are not relevant funds and are not protected. These funds are sent to the foreign currency counterparty for conversion.

Step 4 For a foreign exchange transaction the purchased currency from the foreign currency counterparty is credited to the Global Reach account where they will be either:

- a) On receipt of a valid client payment instruction will be sent to a client beneficiary under Step 5 or;
- b) In the absence of a client payment instruction, the funds will be considered 'Relevant' and moved in the same day to the Global Reach client account, in accordance with Step 2.

Step 5 For a payment service and foreign exchange transaction we consider the funds relevant until the payment has been instructed by the client to Global Reach. On receipt of a valid payment instruction, the client funds either reside within the Global Reach account following foreign exchange conversion on the day or the Global Reach client account. If funds reside within the Global Reach client account, funds are withdrawn from the Global Reach client account into the Global Reach account for payment to the beneficiary instructed in Step 2A. If funds reside within the Global Reach account, for payment, funds are sent to the instructed beneficiary from the Global Reach account.

Find out more about Global Reach at globalreachgroup.com