IG US LLC
Statement of Financial Condition
As of and for the year ended May 31, 2023

(with Report of Independent Registered Public Accounting Firm)

Confidential

Financial Statements **Page**

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Report of Independent Registered Public Accounting Firm

To the Officers and Member of IG US LLC

Opinion on the Financial Statement – Statement of Financial Condition

We have audited the accompanying statement of financial condition of IG US LLC (the "Company") as of May 31, 2023, including the related notes (collectively referred to as the "financial statement"). In our opinion, the financial statement presents fairly, in all material respects, the financial position of the Company as of May 31, 2023 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

The financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statement based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit of this financial statement in accordance with the standards of the PCAOB and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement, whether due to error or fraud.

Our audit included performing procedures to assess the risks of material misstatement of the financial statement, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statement. We believe that our audit provides a reasonable basis for our opinion.

Critical Audit Matters

Critical audit matters are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that (i) relate to accounts or disclosures that are material to the financial statements and (ii) involved our especially challenging, subjective, or complex judgments. We determined there are no critical audit matters

PricewaterhouseCoopers LLP

August 4, 2023

We have served as the Company's auditor since 2017.

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IG US LLC
Statement of Cash Flows
For the year ended May 31, 2023

Assets		
Cash	$	19,309,929
Cash held for customers		74,994,790
Receivable from broker, net		38,282,844
Receivables from affiliates, net		819,225
Deferred tax asset, net		500,533
Other assets		254,568
Property and equipment, net		2,915
Total assets	$	134,164,804
Liabilities		
Payables to customers, net	$	69,874,674
Accrued expenses		1,618,951
Payables to Parent and affiliates		1,107,795
Total liabilities		72,601,420
Member’s equity		61,563,384
Total liabilities and member’s equity	$	134,164,804

The accompanying notes are an integral part of these financial statements.

1. Organization

On October 6, 2017, IG US LLC (the "Company") was formed as a Delaware Limited Liability Company. The Company is a wholly-owned subsidiary of IG US Holdings, Inc. (the "Parent"), a Delaware Corporation. The ultimate parent is IG Group Holdings plc ("IG Group"), a United Kingdom company which is publicly traded on the London Stock Exchange.

The Company is registered with the Commodity Futures Trading Commission ("CFTC") and is a member of the National Futures Association ("NFA"), an industry self-regulating organization, to operate as a Retail Foreign Exchange Dealer ("RFED") and as an introducing broker.

The Company enters into over-the-counter ("OTC") foreign exchange derivative contracts with retail and institutional customers. Customer trading is offered to customers via the Company's web based proprietary trading platform or through proprietary trading mobile apps. The Company hedges its open customer positions with either a third-party broker or an affiliate.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements are presented in accordance with generally accepted accounting principles ("GAAP") in the United States of America.

Use of Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities as of the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Estimates are based on judgement and available information. Therefore, actual results could differ from management's estimates and could have a material impact on these financial statements.

Cash

The Company maintains cash at financial institutions where the total cash balance is insured by the Federal Deposit Insurance Corporation ("FDIC") up to $250,000 per depositor, per bank. The Company is exposed to concentration credit risk since it maintains balances at financial institutions in excess of the FDIC limit.

Cash Held for Customers

The Company maintains separately designated customer cash at a financial institution where the total cash balance is insured by the Federal Deposit Insurance Corporation ("FDIC") up to $250,000 per depositor, per bank. This designated customer cash does not have any legal restrictions. The Company is exposed to concentration credit risk since it maintains balances at financial institutions in excess of the FDIC limit.

Receivable from Broker, net

The Company maintains a third-party prime brokerage account in order to hedge a portion of its customer positions. According to the account agreement, the Company holds a deposit in this prime brokerage account according to the terms of the account agreement in order to collateralize these hedging positions.

2. Summary of Significant Accounting Policies, cont.

Receivable from Broker, net, cont.

Receivable from Broker, net includes this cash deposit plus or minus any unrealized gains or losses on open positions. The fair value of these hedging contracts is determined based upon third-party quotations, which are further discussed in the Fair Value Measurements section.

Property and Equipment, net

Fixed assets consist of computer equipment, furniture and fixtures, and office equipment. Fixed assets are carried at cost, less accumulated depreciation. The Company periodically evaluates the carrying value of long-lived assets when events and circumstances warrant such review in accordance with accounting guidance. Fixed assets are depreciated on a straight-line basis over the estimated useful lives of the assets as follows:

Computer equipment	3 – 5 years
Furniture and fixtures	3 – 5 years
Office equipment	3 – 5 years

Payables to Customers, net

Payables to customers, net includes all cash deposits plus or minus any unrealized gains or losses on open positions. The fair value of the customers' contracts is determined based on market data feeds, which are further discussed in the Fair Value Measurements section.

Cost Sharing and Commission Revenue

The Company generates its cost sharing and commission revenue through a back-to-back foreign exchange hedging agreement with an affiliate. Based on the terms of this agreement, the Company receives a portion of the commission revenue earned by its affiliate on these hedged transactions along with a cost sharing revenue arrangement for a portion of the Company's costs (See note 10 for further details).

The Company recognized the cost sharing revenue under FASB ASC 606 (Revenue from contracts with customers) during the current year as consideration for performing marketing, sales and distribution activities on behalf of IG Group. The Company believes the performance obligation for providing these services is satisfied over time, as expenses are incurred, because IG Group is receiving and consuming the benefits as they are provided by the Company. As such, cost sharing revenue is recognized as the associated expenses subject to reimbursement as incurred. Gains and losses with respect to hedging positions on customer foreign exchange trades with the Company's affiliate are recognized on a trade date basis. These amounts are generally settled on a monthly basis.

Interest Revenue

The Company earns interest on operating and customer funds on deposit with several financial institutions. Interest revenue is recorded in the period for which the interest is earned.

2. Summary of Significant Accounting Policies, cont.

Marketing and Advertising

Marketing and advertising costs are incurred for the production and communication of advertising, as well as other promotional related activities. The Company expenses the cost of advertising as incurred, except for costs related to the production of any broadcast advertising, which are expensed when the first broadcast occurs.

Salaries and Wages

Salaries and wages costs are comprised of compensation, bonuses paid to employees, other related benefits, and employment taxes incurred by the Company. Salaries and wages also include the expenses allocated to the company from IG Group's stock-based compensation and employee stock purchase plans.

Professional Fees

The Company incurs audit, tax, legal, and regulatory expenses. These expenses are accrued when incurred.

Rent and Premises

The Company has entered into an agreement with the Parent for the allocation of office rent and premises costs based on a proportional share of allocated area in the office space.

Income Taxes

The Company has elected to be classified as a corporation for income tax purposes and is included in the Parent's US consolidated federal income tax return. When appropriate, the Company is also included in the Parent's consolidated state and local income returns. Income taxes are accounted for using the asset and liability method. Federal and state income tax balances are calculated as if the Company filed on a separate return basis. The total of the federal and state tax liability or benefit is calculated as either a payable to or a receivable from the Parent. The amount of any current and deferred income taxes payable or receivable, less any valuation allowance, is recognized as of the date of the financial statements based on the currently enacted federal and state income tax law and rates.

Deferred tax assets and liabilities are recognized for future events attributable to (1) the differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases, (2) tax operating losses, and (3) tax credit carryforwards. A valuation allowance is recognized for any deferred tax asset that is not more likely than not to be realized. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply when deferred taxes are recovered/settled.

2. Summary of Significant Accounting Policies, *cont.*

Income Taxes, cont.

A tax position is recognized as a benefit only if it is more likely than not that the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax benefit that has a greater than 50% likelihood of being realized on examination. For tax positions not meeting the more likely than not test, no tax benefit is recorded. The Company applied the guidance to all tax positions for which the statute of limitations remained open. As of May 31, 2023, the earliest open tax year is 2019. As of May 31, 2023, the Company had no material unrecognized federal or state tax benefits. There have been no material changes in unrecognized tax benefits during the current year. The Company did not have any material amounts accrued for interest and penalties at May 31, 2023. The Company does not believe it is reasonably possible that any material tax positions will change within the next twelve months. Interest or penalties on income taxes, if incurred, are recognized on the statement of operations as a general expense.

Fair Value Measurements

The Company categorizes its fair value measurements according to a three-level hierarchy in accordance with FASB ASC 820, *Fair Value Measurements*. The hierarchy prioritizes the inputs used by the Company's valuation techniques. A level is assigned to each fair value measurement based on the lowest level input that is significant to the fair value measurement in its entirety. The three levels of the fair value hierarchy are defined as follows:

Level 1 - Unadjusted quoted prices for identical assets or liabilities in active markets that are accessible at the measurement date.

Level 2 - Prices or valuation based on observable inputs other than quoted prices in active markets for identical assets and liabilities.

Level 3 - Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

In general, the Company's financial assets and liabilities are carried at either fair value or at amounts which approximate the fair value on the Statement of Financial Condition. The Company's foreign exchange contracts assets and liabilities, which are included in Payables to Customers, net, Receivables from affiliates, net and Receivable from Broker, net on the Statement of Financial Condition, are stated at fair value based on the underlying OTC assets. These assets and liabilities are stated at fair value based on the underlying OTC assets. The Company has equal and offsetting asset and liability open contracts due to the Company's back-to-back hedging arrangement with an affiliate and third-party broker. The fair value of these financial instruments is predominately determined by inputs from third-party quotations.

Derivatives

Foreign exchange contracts provide for the exchange of the difference in value of a particular currency pair. The Company and the customers realize either a gain or a loss on the contract as the value changes between the time at which a contact is opened and the time at which a contract is closed. Foreign exchange contracts are defined as derivatives according to the accounting guidance. Therefore, foreign exchange contracts are accounted for at fair value in these financial statements.

Foreign Currencies

The Company has determined that its functional currency is the US Dollar (USD). In accordance with GAAP, assets and liabilities which are denominated in foreign currencies are converted into USD as of the date of the Statement of Financial Condition. Gains and losses resulting from foreign exchange transactions are included in the Statement of Operations.

Business Concentrations and Credit Risk

Financial instruments, which subject the Company to concentration of credit risk, consist largely of cash and cash equivalents, amounts due from broker, and amounts due from related parties. Expected credit losses are measured based on historical experience, current conditions and forecasts that impact the collectability of the amount. The Company actively monitors the credit quality of its counterparties and the credit risk of its clients on an ongoing basis and recognizes losses, if any, at the time incurred.

3. Receivable from Broker, net

Receivable from Broker, net consists of the following:

		May 31, 2023
Cash deposit	$	38,409,661
Company's net unrealized gains (losses)		(126,817)
Total	$	38,282,844

4. Property and Equipment, net

Fixed assets consist of the following:

		May 31, 2023
Computer equipment	$	46,118
Less accumulated depreciation		(43,203)
Total	$	2,915

5. Other Assets

Other assets consist of the following:

		May 31, 2023
Interest receivable	$	190,917
Prepaid expenses		62,611
Other miscellaneous assets		1,040
Total	$	254,568

6. Payables to Customers, net

Payables to Customers, net consisted of the following:

		May 31, 2023
Customer cash balances	$	92,723,976
Customer related allowances, net		11,138
Customers' net unrealized gains (losses)		(22,860,440)
Total	$	69,874,674

7. Accrued Expenses

Accrued expenses consisted of the following:

		May 31, 2023
Accrued tax fees	$	577,746
Accrued marketing and advertising		383,838
Accrued compensation		372,057
Accrued professional fees		225,500
Accrued alternative payment processing charges		54,808
Other accrued expenses		5,002
Total	$	1,618,951

Operating expenses are recognized when incurred.

8. Related Party Transactions

In the ordinary course of business, the Company pays direct costs on behalf of its affiliates and, likewise, the Company's affiliates and Parent pay direct costs on behalf of the Company. The Company establishes a receivable or payable for these amounts. As of May 31, 2023, the Company has $819,225 recorded in *Receivable from affiliates, net* and $1,107,795 recorded in *Payables to Parent and affiliates* in the Statement of Financial Condition.

The company settles related party balances on a regular basis, most often no less than once each quarter.

Receivable from hedging affiliate

The Company entered into a Hedging and Incidental Services agreement with a foreign affiliate. Under the terms of this agreement, the Company hedges a portion of the open customer contracts with its affiliate in exchange for a percentage of the revenue the affiliate earns on the hedged positions. This agreement also includes a cost sharing arrangement that provides for reimbursement for certain expenses of the Company. As of May 31, 2023, the Company had a net receivable balance of $819,225 from its affiliate that was recorded *within Receivables from affiliates, net* in the Statement of Financial Condition. This net receivable balance consisted of amounts related to the cost sharing arrangement, trading arrangement as well as the net unrealized position related to open hedging contracts.

8. Related Party Transactions, cont.

Shared services and office services from Parent

Effective November 1, 2019, the Company also entered into the Shared Services Agreement with its Parent for the allocation of employee shared strategic planning, accounting, legal, human resources, and treasury services based on a proportional share of allocated time and expense for the benefit of the Company. During the current year, the charges related to the Shared Services Agreement reflected in the Company's Statement of Operations were $1,980,941.

Other receivables and payables to/from affiliates

Other affiliates pay certain expenses covered under global vendor agreement on behalf of the Company, which they recharge to the Company on a monthly basis. As with other intercompany transactions, this activity is accounted for as a payable or receivable owed by or due to the Company and is reflected in the Statement of Financial Condition as *Payable to parent and affiliates* or *Receivable from affiliates, net*.

9. Income Taxes

The differences between the balances reported in the Statement of Financial Condition and the tax basis of assets and liabilities result in temporary differences for which deferred tax assets and liabilities were recognized as follows at May 31, 2023:

		FY2023
Deferred Income Tax Assets:		
Capitalized start-up costs	$	304,881
Accrued compensation		69,146
Accrued legal and regulatory		62,884
Allowance for credit loss		50,780
Long term incentive plan		14,015
Other		7,699
Total current deferred income tax assets	$	509,405
Deferred Income Tax Liabilities:		
Depreciation		(8,872)
Total deferred income tax liabilities	$	(8,872)
Net Deferred Income Tax Asset before Valuation Allowance:	$	500,533
Valuation Allowance:		-
Net Deferred Income Tax Asset after Valuation Allowance:	$	**500,533**

9. Income Taxes, cont.

The Company has classified the costs incurred prior to commencing its operations as start-up costs and, for income tax purposes, has capitalized and will subsequently expense them for income tax purposes over the respective amortization period.

For the year ended May 31, 2023, the Company has not recorded a valuation allowance against the Deferred Tax Asset balance of $500,533 on the basis of Management's assessment of the amount of its deferred tax assets that are more likely than not to be realized. As of each reporting date, Management considers new evidence, both positive and negative, that could affect its view of the future realization of deferred tax asset. As of May 31, 2023, in part because the Company has achieved three years of cumulative pretax income, Management determined that there is sufficient positive evidence to conclude that it is more likely than not that existing deferred taxes are realizable.

For the year ended May 31, 2023, the Company has no net operating losses.

The provision (benefit) for income taxes consists of the following for the year ended May 31, 2023:

		FY2023
Current income tax expense (benefit)		
Federal	$	732,732
State		159,044
Total current income tax expense (benefit)		**891,776**
Deferred income expense (benefit)		
Federal		(5,341)
State		(9,922)
Total deferred income tax expense (benefit)		**(15,263)**
Increase/(Decrease) in valuation allowance		-
Total income tax expense (benefit)	$	**876,513**

The reconciliation of the effective income tax rate consists of the following for the year ended May 31, 2023:

		Amount	Rate
Federal income tax expense	$	756,532	21.00%
State income taxes		127,727	3.55
Permanent adjustments		13,409	0.37
Change in blended state rate		(9,085)	-0.25
Other		(18,514)	-0.52
Provision to return		6,444	0.18
Total	$	876,513	24.33%

10. Fair Value Measurements

The following table summarizes the Company's gross assets and liabilities that are reported at fair value according to the related hierarchy levels:

Fair Value Measurements on a Recurring Basis
As of May 31, 2023

	Level 1	Level 2	Level 3	Total
Assets:				
Foreign exchange contracts *		$28,017,430		$28,017,430
Total Assets		$28,017,430		$28,017,430
Liabilities:				
Foreign exchange contracts *		($28,017,430)		($28,017,430)
Total Liabilities		($28,017,430)		($28,017,430)

*Foreign exchange contract assets and liabilities are netted within Payable to Customers, net and either the Receivables from affiliates, net, or the Receivable from Broker, net, respectively on the Statement of Financial Condition (See Note 11 for further details).

The table below presents the carrying value, fair value and fair value hierarchy category of certain financial instruments that are not measured at fair value on the Statement of Financial Condition:

			Fair Value Measurements		
	Carrying Value	Fair Value	Quoted prices in Active Markets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Assets					
Cash	$19,309,929	$19,309,929	$19,309,929		-
Cash held for customers	$74,994,790	$74,994,790	$74,994,790		-
Receivable from Broker	$38,282,844	$38,282,844	-	$38,282,844	-
Receivables from affiliates	$819,225	$819,225	-	$819,225	-
Other assets	$254,568	$254,568	-	$254,568	-
Total Assets	$133,661,356	$133,661,356	$94,304,719	$39,356,637	-
Liabilities					
Payables to customers*	($92,723,976)	($92,723,976)	-	($92,723,976)	-
Payables to Parent and affiliate	($1,107,795)	($1,107,795)	-	($1,107,795)	-
Accrued expenses	($1,618,951)	($1,618,951)	-	($1,618,951)	-
Total Liabilities	($95,450,722)	($95,450,722)	-	($95,450,722)	-

* The payable to customers represents customer cash balances. The payable has been reduced to reflect the Company's net unrealized gains on open positions, which is separately included in the derivatives disclosures in Note 11.

11. Derivatives

The Company's foreign exchange contracts with its customers are derivative instruments.

The amounts that are reported within the Statement of Financial Condition are summarized below:

	Amounts Offset in the Statement of Financial Condition***			
	Fair value of gross derivative contracts**	Counterparty netting	Cash collateral	Net derivative contracts
Assets:				
Foreign exchange contracts *	$28,017,430	($5,157,085)	($22,860,345)	-
Total assets	$28,017,430	($5,157,085)	($22,860,345)	-
Liabilities:				
Foreign exchange contracts *	($28,017,430)	$5,157,085	$31,755,817	$8,895,472
Total liabilities	($28,017,430)	$5,157,085	$31,755,817	$8,895,472

*Derivative assets are included within Payable to Customers, net on the Statement of Financial Condition. Derivative liabilities are included within Receivables from affiliates, net, Receivable from Broker, net and Payables to Customers, net on the Statement of Financial Condition.

**Amounts include all derivative financial instruments irrespective of whether there is a legally enforceable master netting agreement or other similar arrangement in place.

***Amounts are reported on a net basis in the Statement of Financial Condition when master netting agreements exist, and the criteria are met in accordance with applicable accounting guidance on offsetting foreign exchange contracts. The customer and broker cash collateral amounts may exceed the related net amounts of derivative assets and liabilities presented in the Statement of Financial Condition. Where this is the case, the total amount reported is limited to the net amounts of derivative assets and liabilities.

The Company enters into back-to-back hedging contracts with its affiliate and a third-party broker, and therefore, the derivative contract realized and unrealized gains and losses net to zero.

The Company's derivatives have various underlying currencies. The table below summarizes the average number of contracts of the Company's derivative instruments as of May 31, 2023:

	Total contracts Q1	**Total contracts Q2**	**Total contracts Q3**	**Total contracts Q4**
Derivative Instruments Assets				
Foreign exchange contracts.	15,088	11,851	19,938	24,061
Total	**15,088**	**11,851**	**19,938**	**24,061**
Derivative Instruments Liabilities				
Foreign exchange contracts	15,088	11,851	19,938	24,061
Total	**15,088**	**11,851**	**19,938**	**24,061**

12. Stock-based compensation

IG Group offers certain employees of the Company participate in a share-based Long-term Incentive Plan ("LTIP"). The LTIP allows for the award of nominal cost options which vest after a three-year requisite service period. The fair value of each award is determined at the grant date and is expensed over the requisite service vesting period. These amounts are also recognized as non-cash capital contributions to the Company over the requisite service vesting period.

For LTIP awards, the fair value at grant date is determined by taking the share price on the grant date. An adjustment for the present value of future dividends is not required since dividend equivalents are awarded on options granted under the LTIP.

The maximum number of LTIP awards that can vest based on the awards granted as of May 31, 2023 are as follows:

Award Date	Share price at award date	Expected vesting date	Shares at the beginning of the year	Shares granted	Shares lapsed	Shares exercised	Dividend	Shares at the end of the year
4-Aug-22	818p	4-Aug-25	-	8,045	-	-	-	8,045
		Total	-	8,045	-	-	-	8,045

The weighted average exercise price of all LTIP awards is 0.005 GBP.

The share-based compensation that was recognized in salaries and wages expense under this plan was $16,251 during the year ended May 31, 2023. As of May 31, 2023, accumulated equity under this plan totaled $27,316 and was recorded in Member's Equity in the Statement of Financial Condition. The Company reverses any share-based compensation expense recognized in previous periods when it becomes probable that those shares will not vest.

13. Commitments, Contingencies and Off-Balance Sheet Risk

Commitments

The Company enters into various commitments to purchase necessary services for its operations. Currently, the only commitment that the Company has entered into is an agreement with a vendor for bank account verification services. Management is not aware of material future minimum commitments as of May 31, 2023.

Contingencies

In the ordinary course of business, the Company may be subject to lawsuits, arbitration claims and other legal proceedings. The Company is also subject to inquiries, investigations, and other proceedings by regulatory and other governmental agencies. Finally, changes in federal legislation and regulatory rules could adversely impact the regulation and operations of the Company, which may negatively affect its operating results. Management cannot predict with certainty the potential outcome of any legal proceeding. However, management is not aware of any legal proceeding that would have a material effect of on these financial statements.

13. Commitments, Contingencies and Off-Balance Sheet Risk, *cont.*

Off-Balance Sheet Risk

The Company hedges its customer contracts through a back-to-back hedging agreement with either an affiliate or a third-party broker. The hedging of customer contract balances through either counter-party creates a counter-party concentration risk for the Company. This concentration of large customer balances also creates a counter-party concentration risk to the Company. The Company has implemented various controls and procedures to mitigate and monitor these risks.

The Company is also subject to various market risks resulting from the conduct of their operations. Sudden market movements could potentially create either a significant unsecured customer receivable increase or a substantial decrease of the Company's adjusted net capital below the statutory minimum levels. The Company has implemented various controls and procedures to mitigate and monitor these risks.

Other Risk

The occurrence of unforeseen or catastrophic events, including the emergence of a pandemic, or other widespread health emergency (or concerns over the possibility of such an emergency), terrorist attacks, extreme weather events or other natural disasters, could create economic and financial disruptions, and could lead to operational difficulties (including travel limitations) that could impair our ability to manage the Company.

14. Employee Retirement Plan

The Company's Parent maintains a 401(k)retirement plan for the Company's employees. Qualified employees may make elective contributions according to the terms of the plan. The Company currently matches 50% of the first 6% of employee contributions. The matching contributions fully vest 2 years after the inception of their employment. Most of the company's employees are eligible to participate in this plan.

15. Employee Stock Purchase Plan

IG Group offers an Employee Stock Purchase Plan that invites its employees to purchase IG Group stock. In general, participants may elect to have up to 5 percent of their wages withheld over a 6-month period. At the end of the 6-month period, the employee's withholding can be used to purchase IG Group stock at a 15 percent discount below the lower of the first or last day's closing price during the 6-month period.

16. Regulatory Capital Requirements

The Company is subject to CFTC Regulation 5.7 and NFA Section 11. Under applicable provisions of these rules and regulations, the Company is required to maintain a minimum adjusted net capital balance of $20.0 million, plus 5% for all liabilities owed to retail customers and third-party eligible contract participants not registered as a dealer that exceed $10 million, and 10% of all liabilities that are owed to an eligible contract participant that is registered as a dealer and/or are an affiliate to the Company, as defined in the rules and regulations. As of May 31, 2023, the Company had adjusted net capital of $52,127,686, a net capital requirement of $22,993,286, and excess net capital of $29,134,400.

17. Subsequent Events

The Company's management has evaluated subsequent events through August 4, 2023, the issuance date of the financial statements for the year ended May 31, 2023. Based on this evaluation, the Company has determined that there are not any events required to be disclosed.