

From: Danny de Hek danny@dehek.com
Subject: Right of Reply — TAG Markets Investigation
Date: 17 September 2026 at 8:21 PM
To: legal@tagmarkets.com



Dear TAG Markets,

I am preparing an investigative article concerning **TAG Markets, T.M. Financials Ltd, CopyX, Amplify and the affiliate communities operating around the brokerage.**

Before publication, I want to give TAG Markets a fair opportunity to respond to the key issues raised by my research. I am not approaching this investigation with a predetermined conclusion, and I will fairly include any factual corrections, explanations or supporting documentation you provide.

I would appreciate TAG Markets' response to the following questions:

1. Ownership and control

Niklas Freihofer stated during a German-language community presentation that he founded TAG Markets approximately two and a half years ago **“together with a partner.”**

Who was that partner, and who are the current ultimate beneficial owners of TAG Markets and T.M. Financials Ltd? What ownership or controlling interest does Mr Freihofer currently hold, and what is Craig Lund's current role as CEO?

2. Mauritius licence and Pure North Markets

TAG Markets identifies T.M. Financials Ltd as operating under Mauritius Investment Dealer licence **GB21026474**.

Mr Freihofer has stated that TAG Markets acquired **Pure North Markets Limited**, surrendered its existing licence, obtained a different market-maker licence approximately one day later under the same licence number, and subsequently renamed Pure North Markets as T.M. Financials Limited.

Can TAG Markets confirm this sequence and provide documentation establishing the licence history and corporate name changes?

3. 12X and 24X Amplify

Please explain precisely what occurs financially when, for example, a customer deposits **\$1.000** and receives **\$24.000 of trading capacity**

customer deposits \$23,000 and reserves \$23,000 of trading capacity.

Is the additional \$23,000 actual capital supplied by a third-party liquidity provider, a credit or margin facility, or notional trading capacity within TAG Markets' brokerage environment?

4. Liquidity providers

Mr Freihofer has stated that TAG Markets works with liquidity providers to provide 12X and 24X accounts and pays them a **fixed fee per million**.

Who are the liquidity providers supporting Amplify? If their identities are commercially confidential, can TAG provide independent documentation confirming these arrangements and explaining their role?

Mr Freihofer has also stated that **the liquidity providers' capital is never at risk**. How is that possible if the additional trading capacity represents capital supplied by those providers?

5. The 30-day holding period

Mr Freihofer explained that TAG Markets needs approximately **six weeks to earn back the money it has effectively borrowed for 12X/24X accounts**, and that the minimum holding period helps TAG recover those costs.

What exactly is being borrowed, what costs does TAG Markets incur in providing the amplification, and why must the customer's original principal remain in the account for approximately 30 days?

Please also identify where these restrictions and their financial purpose are disclosed to customers before they deposit.

6. Drawdown and liquidation

My research indicates that 24X accounts have approximately a **5% maximum drawdown**, while 12X accounts allow approximately 10%.

When that threshold is reached, precisely whose capital absorbs the loss? What happens to the customer's original deposit, and how is the liquidity provider protected from loss?

7. Trade execution

Mr Freihofer has stated that amplified trades are routed through liquidity providers and into the market.

Can TAG Markets provide independently verifiable evidence

demonstrating how Amplify and CopyX trades are externally executed, including the role of its liquidity providers?

8. Sonic and CopyX

Mr Freihofer has stated that “**nine figures**” of capital are connected to Sonic and that TAG Markets receives a **5% share associated with Sonic**, which he claimed was generating millions of dollars.

What is the contractual and financial relationship between TAG Markets and Sonic? What does the 5% represent, and can TAG substantiate the capital and revenue figures Mr Freihofer described?

I have also identified differing Sonic performance figures across Myfxbook, Sonic-related material and CopyX. Can TAG explain why reported trade counts and returns differ between these sources?

9. Affiliate compensation

Presentations I have reviewed describe affiliate/residual compensation extending **ten levels deep**.

Please provide the official TAG Markets/introducing-broker compensation structure and explain how commissions generated from customer trading activity are distributed through the affiliate network.

Mr Freihofer has also claimed that TAG Markets paid **eight figures in affiliate commissions in a single month**, with three affiliates earning more than \$1 million each, approximately 30–35 earning six figures monthly and around 1,150 earning five figures or more.

Can TAG Markets substantiate these figures?

10. Affiliate incentives

Mr Freihofer has publicly discussed TAG Markets awarding **Rolex watches, Lamborghini Urus vehicles and houses** to qualifying participants.

Can TAG confirm these incentive programmes, explain their qualification requirements and clarify whether qualification is based on customer acquisition, deposits, trading volume, affiliate performance or another metric?

11. U.S. customers, Paraguay and Palau

I have obtained Sonic-related onboarding material that appears to instruct some **United States participants to select Paraguay as their country of residence**, despite using U.S. identification, and subsequently obtain a **Palau digital residency ID**.

Did TAG Markets create, authorise or know about these instructions?

Has TAG Markets accepted accounts where the customer's declared country of residence did not reflect where that customer actually lived?

12. Customer passwords and “Eddie”

The same onboarding material appears to instruct customers seeking **24X activation to provide their TAG Markets username and password to their recruiter**, who then forwards the credentials to someone identified as “Eddie.” Customers are subsequently advised to change their password.

Is this an authorised TAG Markets procedure?

Who is “Eddie,” and why would an affiliate, recruiter or third party require a customer's brokerage password to activate Amplify?

13. Regulatory warnings

Austria's FMA issued a warning concerning TAG Markets/T.M. Financials Ltd/TAG Markets Ltd on **20 February 2026**, and Luxembourg's CSSF issued a warning on **10 June 2026** concerning authorisation to provide financial services within those jurisdictions.

What is TAG Markets' response to those warnings, and what action has been taken as a result?

Mr Freihofer has also referred to a previous regulatory issue in the Netherlands that he said was resolved. Can TAG provide details of that matter and documentation confirming its resolution?

14. Relationship with external communities

Please describe TAG Markets' current or previous commercial, introducing-broker, affiliate or other relationships with:

Sonic / Sonic AI, AITech, XFusion, Neo FX and Zeus.

I am specifically trying to avoid incorrectly portraying independent organisations as being owned or operated by TAG Markets, so clarification of the precise nature of these relationships would be

appreciated.

15. Scale of TAG Markets

Mr Freihofer has claimed TAG Markets has more than **400 employees**, processed approximately **\$350 billion in transaction volume during a single month**, receives around **30,000 support enquiries per day**, and has ambitions to reach approximately **\$4 trillion in monthly transaction volume by the end of 2026**.

Can TAG Markets substantiate its current employee numbers and transaction volumes, preferably through independently verifiable records?

Finally, if TAG Markets believes **any premise contained in these questions is inaccurate, incomplete or misleading**, please identify it and provide the correct information. I am particularly interested in documentation that can independently verify TAG Markets' explanations.

I intend to publish shortly and would appreciate a response **within 48 hours of receipt of this email**. If additional time is genuinely required to obtain documentation or answer a particular question, please let me know within that period.

I will fairly consider and, where relevant, incorporate TAG Markets' response into the investigation before publication.

Best Regards
Danny de Hek

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Exposing scams and protecting everyday investors takes a lot of time and resources, and I fund most of this work myself. If you'd like to support what I do, even a small donation makes a big difference. Ko-fi: ko-fi.com/dehek Buy Me a Coffee: buymeacoffee.com/dehek Your support is truly appreciated.

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