

# CUSTOMER AGREEMENT

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# GENERAL BUSINESS TERMS

## 1 Introduction

### 1.1 Scope of the Agreement

These General Business Terms together with the Addendum for certain Products ("**Customer Agreement**" or "**Agreement**") describe the basis of the relationship between client ("**you**", "**your**" or "**Client**") and IBLUX (as defined below) and set out the terms for the provision of execution, clearing and related services as set forth in Section 2.1. The General Business Terms apply to all clients. The Addendum will apply if you have selected and we have agreed to provide the particular product each section of the Addendum relates to. The Agreement also contains a certain amount of information which we are required to provide you under the Luxembourg's regulatory regime. You agree to provide your consent to the terms of this Agreement, and execute this Agreement, by way of electronic signature.

To help you find your way around our General Business Terms, we have briefly summarised their content in the "Guide to our General Business Terms" as contained in the "Description of Our Services and Fees" document that has been provided to you separately.

### 1.2 Information about Interactive Brokers Luxembourg SARL

Interactive Brokers Luxembourg SARL (société à responsabilité limitée) ("**IBLUX**", "**we**" or "**us**") is a company established under the laws of the Grand Duchy of Luxembourg with company registration number B229091. Its registered office (and principal place of business) is at 4, Rue Robert Stumper, L-2557 Luxembourg, Grand Duchy of Luxembourg. IBLUX is authorised as an investment firm in the Grand Duchy of Luxembourg and supervised by the *Commission de Surveillance du Secteur Financier* (the "**CSSF**"), the Luxembourg financial supervisory authority, in the conduct of its investment business and is included in the CSSF's register of authorised firms under number P00000488. The CSSF's address is 283, route d'Arlon, L-2991 Luxembourg.

### 1.3 Client Categorisation

Unless we have specifically notified you in writing to the contrary, we have categorised you as a Retail Client under the rules set out in the LFS as defined below. Categorisation as a Retail Client affords you the highest degree of consumer protection under the LFS. You have the right to request a different client categorisation, although we are not bound to agree to such a request. However, if we do agree and you are recategorised, you would lose the benefit of certain protection (summarised in Appendix 1) set out under the LFS. If, following such a request, you are categorised as a Professional Client, you must keep us informed of any change in your circumstances which may affect your categorisation as a Professional Client. If we have categorised you as a Professional Client, we will have specifically notified you in writing.

### 1.4 Important Supplemental Information Provided on the IBLUX Website

You expressly consent to IBLUX providing information to you which is not personally addressed to you via the IBLUX website or such other website as you are notified of by IBLUX from time to time.

IBLUX will provide important supplemental information about its products and services on the IBLUX website. This may include information about margin requirements, adjustments arising from corporate actions, settlement and delivery procedures, order execution policies, tax treatment, and other matters. You confirm that you have regular access to the Internet, and consent to us providing you with information through our website

at [www.interactivebrokers.eu](http://www.interactivebrokers.eu) or such other website as may from time to time be communicated to you.

## 1.5 Interpreting this Agreement

When used in this Agreement, the words and expressions set out below have the following meanings

### **“Addendum”**

The document which is appended to the present Agreement and which pertains to the provision of services in relation to specific products as indicated therein.

### **“Applicable Law and Regulations”**

All applicable laws and all applicable rules and regulations made by any judicial, regulatory, tax or other governmental authority, including, without limitation, the constitutions, articles, by-laws, rules, regulations, policies, procedures and interpretations of the exchanges, markets and clearing houses to which orders are routed or Transactions are executed or cleared, in the course of providing our services to you. These include (but are not limited to) the CSSF Rules.

### **“Client Assets Rules”**

LFS; the Grand Ducal Regulation and any other Luxembourg rules and regulations pertaining to the protection of financial instruments and client funds.

### **“Delegated Regulation”**

The delegated regulation 2017/565 of 25 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council as regards organisations requirements and operating conditions for investment firms and defined terms for the purposes of that Directive.

### **“ESMA Decision”**

ESMA Decisions (EU) 2018/796, (EU) 2018/1636, (EU) 2019/155 ad (EU) 2019/679 as implemented by the CSSF in permanent national product intervention measures relating to contracts for differences.

### **“Grand Ducal Regulation”**

The Grand Ducal Regulation of 30 May 2018 relating to the protection of financial instruments and client money, to the obligations applicable in relation to product governance and to the rules relating to the granting or receiving of rights, commissions or any other monetary or non-monetary benefit.

### **“Interactive Brokers Group”, or “IB Group” or “Group”**

IBG LLC and all of its subsidiaries from time to time.

### **“LFS”**

Law of 5 April 1993 on the financial sector, as amended.

### **“MiFID II Rules”**

The rules pertaining to the provision of investment services including but not limited to, rules of conduct, execution of orders, fees and charges such as deriving notably from the LFS, the Grand Ducal Regulation and the Delegated Regulation.

### **“Margin Delegated Regulation”**

The Commission Delegated Regulation (EU) 2016/2251 of 4 October 2016 supplementing Regulation (EU) No 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories with regard to regulatory technical standards for risk-mitigation techniques for OTC derivative contracts not cleared by a central counterparty, as amended or restated from time to time.

Any reference to laws, regulations or documents of any nature should always be read as referring to the current form of such legislation, regulatory rules or document at the relevant time.

## 2 Services and Trading

### 2.1 Investment Services

IBLUX shall provide the following services to Client:

IBLUX will establish and operate Client account(s) for the trading of investment products and the provision of ancillary services. The account shall be established, maintained and utilised by IBLUX and Client in conformity with the Applicable Law and Regulations.

Through the Interactive Brokers System (“**IB System**”), IBLUX shall accept orders from Client for the specified investment products (“**Products**”) that IBLUX may make available from time to time to the type of account for which Client has been approved and provide for the execution and settlement of such orders (“**Transactions**”). Transactions may be executed and/or settled by IBLUX, another affiliate of IBLUX, or a non-affiliated party. In providing services to Client and for Client’s account(s), IBLUX may utilise services of one or more of its affiliated companies, and these affiliates shall have the benefit of IBLUX’s rights and remedies and limitations on liability under this Agreement provided that any such utilisation does not breach any Applicable Law and Regulations. For the purposes of this Agreement, where an affiliate is providing services in connection with your account(s), references to IBLUX shall include IBLUX’s affiliates.

As set forth in Section 3 of this Agreement, IBLUX shall provide client money and safe custody of financial instruments and related services.

Subject to Applicable Law and Regulations, IBLUX shall extend credit to Client for trading involving margin loans of funds to Client to acquire investment instruments (collectively, “**Margin Trading**”).

- 2.1.1 **No Investment, Tax or Trading Advice:** IBLUX does not provide investment, tax or trading advice. Our service is merely to provide execution services, meaning that we are only acting on your instructions and will not advise you on any Transaction. IBLUX employees are not authorised to provide advice or recommendations. We may provide you with information about Products, including their terms of performance. However, in providing such information IBLUX will not be making any personal recommendation to you or advising you on the merits of any such Product, and you will be responsible for making your own assessment of such information.
- 2.1.2 **Suitability:** For the avoidance of doubt, we are not required to assess the suitability of any Product or service provided or offered and you will therefore not benefit from the protection of the MiFID II Rules on assessing suitability. Nothing on the IBLUX website is a recommendation or solicitation to buy or sell any investment product.

- 2.1.3 **Appropriateness:** In relation to our services carried out at your initiative which involve non-complex financial instruments, as defined under the LFS, we are not required to assess the suitability or appropriateness of the relevant service or product. Where we provide our services in relation to complex financial instruments, under the LFS, we are obliged to assess the appropriateness of the Transaction for you by reference to your knowledge and experience and understanding of the risks involved. We might require you to provide us with information regarding your knowledge and experience in the relevant investment field so as to enable us to assess whether the Transaction is appropriate for you. If we do not consider the service or product to be appropriate for you we will provide you with a warning that the service or product is not appropriate for you. In cases where you elect not to provide the information required for the assessment of the appropriateness, or where you provide insufficient information regarding your knowledge and experience, we hereby expressly warn you that such a decision will not allow us to determine whether the service or product envisaged is appropriate for you. In such case or if you ask to proceed despite being given the relevant warning, we might decline to provide the relevant service or product.
- 2.1.4 **Key Information Documents:** You consent to be provided with key information documents (“KIDs”) for those Products falling under the Packaged Retail and Insurance-based Investment Products Regulation (“PRIIPs”) by means of a website. The address to such website is displayed both on the Client’s Account Management section of the IBLUX website and in the contract details page for the relevant Product. The contract details page is hosted in the Interactive Brokers Trader Workstation (the “IB TWS”) and can also be accessed in the product listing page of the IBLUX website.
- 2.1.5 **IBLUX Trades as Agent or Principal:** For Transactions executed on an exchange, IBLUX acts as a commission agent in its name for your account. Unless otherwise indicated, IBLUX generally acts as principal or riskless principal, therefore in its own name and for its account, in Over the Counter (“OTC”) Transactions. Your OTC Transactions are executed against IBLUX, which may have a long or short position and may profit or lose in connection with the Transaction, or may hedge or effect it against or through an affiliate or third party who may profit or lose. When IBLUX accepts an order or executes a Transaction for you where we access external execution venues (including third party Systematic Internalisers as defined in the MiFID II Rules) as agent or riskless principal, IBLUX does so as an executing broker and not as a Systematic Internaliser.
- 2.1.6 **No Obligation to Trade:** You are not obligated to make any trades under this Agreement. Likewise, IBLUX is not obligated to accept any particular order from you and IBLUX is not obligated to enter into any Transaction for or with you. IBLUX has sole discretion to decide whether to quote a market in particular products, whether to deal or broker deals in particular products and whether to enter into a Transaction with you for particular products. IBLUX's entry into a Transaction in a product does not obligate IBLUX to continue to deal in that product in the future or enter further transactions with you in that product.
- 2.1.7 **Suspicious Activity:** If IBLUX in its sole discretion believes that Client’s account(s) has been involved in any fraud or crime or violation of laws or regulations, or has been accessed unlawfully, or is otherwise involved in any suspicious activity (whether victim or perpetrator or otherwise), IBLUX may suspend or freeze the account or any privileges of the account, may freeze or liquidate funds or assets, or may utilise any of the remedies in this Agreement for a "Default". We are entitled to report to any relevant regulatory authority any transaction or activity undertaken by you that may constitute a breach by you of any Applicable Law and Regulations.

- 2.1.8 **Information on Financial Instruments:** The complexity of financial instruments and the markets on which they are traded require sufficient knowledge on the part of the Client of their characteristics and risks before carrying out any Transaction in relevant Products. Before executing any Transaction on behalf of Client, IBLUX provides Client with an information document describing in a general manner the nature and the risks of the most common financial instruments.

## 2.2 Executing Orders and Confirmations

**Order Execution Policy:** IBLUX will execute Client orders in accordance with the terms of our Order Execution Policy. IBLUX will take all reasonable steps based on the processes we have in place to deliver best execution but it cannot guarantee delivery of the best possible result on every order executed on behalf of Client: other dealers/markets may have better prices, IBLUX may not have access to every dealer/market; other orders may trade ahead of yours; dealers or market centres may not honour posted prices; or market/dealer rules, decisions or system failures may prevent/delay execution of orders or cause orders not to receive the best possible outcome. A summary of our Order Execution Policy has been published on the IBLUX website under Forms and Disclosures. You consent and agree to your orders being executed in accordance with that policy. You consent and agree to IBLUX executing orders outside of a trading venue in certain circumstances, as permitted under the terms of our Order Execution Policy. The policy permits your orders to be executed outside a trading venue in certain circumstances where you have specifically consented and agreed for orders to be executed in that way. You have the right to request information from IBLUX in respect of the entities with which orders are placed for execution. IBLUX will provide this information upon reasonable request from you. In accordance with CSSF Rules, each year IBLUX will publish information on the top five execution venues IBLUX has used in terms of trading volumes for classes of Products. The information will be published on the IBLUX website under Forms and Disclosures.

- 2.2.1 **Quotations:** For orders that you send to us, the execution price and confirmation in relation to each Transaction shall reflect our current quotations within the IBLUX platform when your order has been received, has become executable and has been executed by us. Due to inherent delays in telecommunications, a transaction may be executed at a price worse than the displayed quotation (e.g., if another client order has already taken all of the volume at our displayed quote, or if our quote was in the process of being updated when your order was in transit), especially if you use market orders. We therefore strongly recommend the use of limit orders.
- 2.2.2 **Orders; Order Cancellation/Modification:** Orders to sell (buy) a Product when you have a long (short) position will be construed as orders to close out the long (short) position in the amount of the sell (buy) order, and if the size of the sell (buy) order exceeds the long (short) position, will be construed to close the entire position and open a short (long) position in the remaining amount of the order. Once an order or instruction has been given to us it cannot be cancelled or modified without IBLUX's consent. You acknowledge that it may not be possible to cancel/modify an order and that you are responsible for executions notwithstanding a cancel/modify request. IBLUX shall have no responsibility for any orders or instructions that were entered by you or your Authorised Users (as defined below) in error and notwithstanding such error we shall be entitled to process them accordingly.



- 2.2.3 **Information Security; Responsibility for Client Orders/Trades:** Client acknowledges and agrees that Client is responsible for all orders and instructions sent to IBLUX using Client's username/password and other security protocols (collectively "**Security Information**"), and that IBLUX will assume that such orders and instructions originate from Client and that IBLUX is absolutely entitled to accept such orders and instructions.

Client will not allow anyone to access Client's account, unless IBLUX is notified and agrees in writing to allow Client to appoint an authorised user ("**Authorised User**"). Client agrees that Security Information will only be used by Client and that Client's Security Information will not be disclosed to third parties. Client agrees to put in place and maintain appropriate security arrangements to prevent the theft or unauthorised use of Client's Security Information, including but not limited to maintaining Security Information in a safe area, using security software, disconnecting from the IBLUX website and trading system when not using them, changing passwords periodically, and other measures.

Client agrees to notify IBLUX immediately by telephone and to confirm in writing immediately thereafter, if Client suspects or becomes aware of the theft or unauthorised use of Security Information or that Client's account has been accessed by an unauthorised person.

- 2.2.4 **Confirmations and Periodic Statements:** IBLUX will provide, to the Client: i) no later than the first business day following execution of your order by IBLUX or on the first business day following the confirmation of execution/cancellation by one of the affiliates of the Interactive Brokers Group or another third party, confirmations of order executions or cancellations. The client also has the right to request information about the status of the order; ii) periodic statements, at least monthly; iii) information as to where financial instruments or funds of Client may be held; iv) a summary statement of costs and charges, at least annually; and v) an illustration of the cumulative effect of costs on returns, at least annually. Any confirmation, statement or illustration to be provided by IBLUX will be displayed on the Client's Account Management section of the IBLUX website.

A Transaction shall be deemed executed when your order is confirmed as executed by IBLUX. Client agrees to monitor each order until IBLUX confirms execution or cancellation. Client acknowledges that confirmations of executions or cancellations may be delayed or may be erroneous (e.g., due to computer system issues) or may be cancelled/adjusted under appropriate circumstances. Client is bound by the actual order execution, if consistent with Client's order. In the event that a Transaction is confirmed by IBLUX as executed, and it is later cancelled by an exchange, trading network or regulatory authority, the confirmed Transaction will also be deemed cancelled and Client informed accordingly.

Client agrees to notify IBLUX immediately by telephone or electronically through the IBLUX website if: i) Client fails to receive an accurate confirmation of an execution or cancellation; ii) Client receives a confirmation that is different than Client's order; iii) Client receives a confirmation for an order that Client did not place; iv) Client receives an account statement, confirmation, or other information reflecting inaccurate orders, trades, balances, positions, margin status, or transaction history; or (v) Client wishes to request information about the status of an order. Client acknowledges that IBLUX may adjust Client's account to correct any error. Client agrees to promptly return to IBLUX any assets erroneously distributed to Client.

2.2.5 **Evidence:** Client and IBLUX expressly agree that, notwithstanding the provisions of Article 1341 of the Civil Code, IBLUX shall, whenever useful or necessary, be entitled to prove its allegations by any means legally admissible in commercial matters, such as witnesses or affidavits.

## 2.3 Particular Products or Orders

2.3.1 **Penny Shares:** Client understands that there is an extra risk of losing money when shares are bought in some smaller companies including penny shares. There is a big difference between the buying price and selling price of these shares. Client further understands that, if such shares have to be sold immediately, Client may get back much less than the Client paid for them. The price may change quickly and it may go down as well as up.

2.3.2 **Warrants and Derivatives:** Client represents that Client has received, read and understands the "Risks warnings and information on financial instruments" set forth as Appendix 2 hereto.

2.3.3 **Commodity Options:** Client acknowledges and agrees that commodity option contracts may not be exercised and must be closed out by offset. Except for cash-settled commodity options, if Client has not offset commodity options contract positions at least one (1) hour prior to the time specified by an exchange for final settlement, IBLUX or its affiliates are authorised to do so, or to sell any position into which the option position is converted upon expiration, or to otherwise liquidate the resulting positions, and credit or debit Client's account accordingly. Client shall pay IBLUX or its affiliates for all costs and expenses related to such liquidations and shall hold IBLUX and its affiliates harmless for any actions taken, or not taken, in connection therewith.

2.3.4 **Close-Out Deadline for Futures Contracts Not Settled in Cash:** For futures contracts that are not settled in cash, but are settled by actual physical delivery of the underlying commodity (including those foreign currency contracts that call for actual delivery of the physical currency and are not on the IB Deliverable Currency List), Client may not make or receive delivery of the underlying commodity. For long positions not settled in cash, Client agrees to roll forward or to close-out any position by offset three (3) business days prior to the exchange-specified first notice day (the long "**Close-Out Deadline**"). For short positions not settled in cash, Client agrees to roll forward or close-out the position by offset three (3) business days prior to the exchange-specified last trade day (the short "**Close-Out Deadline**"). It is Client's responsibility to make itself aware of the last trading date for such contracts and the Close-Out Deadline. If Client has not closed out any position in a futures contract not settled in cash by the Close-Out Deadline, IBLUX and its affiliates shall have the right to liquidate Client's position in the expiring contract, at any time and in any such manner as IBLUX or its affiliates deem necessary, without prior notice to Client. If Client fails to close out a futures position and IBLUX or its affiliates are unable to close out the position prior to the expiration of the contract, then Client shall be liable for any and all costs of delivery and the liquidation of the resulting physical currency position.

2.3.5 **Non-Readily Realisable Investments:** Client understands that there is a restricted market for designated investments that are not readily realisable investments and that, therefore, it may be difficult to deal in such designated investments or to obtain reliable information about their value. If Client chooses to trade designated investments that are not readily realisable investments they do so at their own risk.

- 2.3.6 **Short Sales:** Client acknowledges that: (i) where permitted short sales may only be effected in a margin account and are subject to initial and maintenance Margin Requirements; (ii) prior to effecting a short sale for Client, IBLUX or its affiliate, as the case may be, must have reasonable assurance that it will be able to borrow such stock on Client's behalf to effect delivery of such stock to the purchaser; (iii) if IBLUX or their affiliate, as applicable, is unable to borrow stock to enable Client to effect delivery on a short sale, or if IBLUX or its affiliate, as applicable, is unable to re-borrow stock in order to satisfy a re-call notice from a stock lender, then IBLUX or its affiliate may be subject to a buy-in pursuant to regulatory or clearing house rules. Client understands that, if IBLUX or its affiliate, as applicable, is unable to borrow or re-borrow such stock, or if, for any other reason, IBLUX or its affiliates do not wish to carry Client's short position, then IBLUX and its affiliates, without notice to Client, are authorised by Client to cover Client's short position by purchasing stock on the open market at the then-current market price and Client shall be liable for any resulting losses and all associated costs incurred by IBLUX or its affiliate.
- 2.3.7 **Corporate Actions:** Except with respect to proxy materials which IBLUX or its affiliate shall transmit to Client in accordance with Applicable Law and Regulations, Client acknowledges that Client is responsible for knowing the rights and terms of any securities, options, futures, currencies and investment products in Client's account including, but not limited to, corporate actions (e.g., whether a security is the subject of a tender or exchange offer, a reorganisation, a stock split or reverse stock split) and that neither IBLUX nor its affiliates has any obligation to notify Client of dates of meetings or to take any other action without specific written instructions that have been sent by Client to the IB Customer Service Department at [help@interactivebrokers.com](mailto:help@interactivebrokers.com) and have been received by the IB Customer Service Department. The consequences of Client's failure to timely provide such instructions are entirely the Client's own responsibility.

## 2.4 Settlement of Transactions

- 2.4.1 **Transfer of Funds:** Client agrees to submit all funds related to any Transaction to Client's account(s) or, as otherwise made available pursuant to this Agreement, directly to an IBLUX client bank account or to a designated financial institution with which IBLUX maintains a client account, in accordance with the instructions then set forth on the IBLUX website and in effect. IBLUX reserves the right to amend such instructions, in its sole discretion, at any time, upon notice made by posting the amended instructions on the IBLUX website.
- 2.4.2 **Disbursement of Funds:** Funds shall not be disbursed to Client, until after positions are settled.
- 2.4.3 **Delivery:** If, at any time, either: (1) Client fails to deliver to IBLUX any property previously sold by IBLUX on Client's behalf, or fails to deliver any property in compliance with any Transaction; or (2) IBLUX is required or reasonably deems it advisable (whether by reason of the requirements of any exchange, clearing organisation or otherwise) to replace any property delivered by IBLUX for Client's account(s) with other property of like or equivalent kind or amount, then: Client authorises IBLUX, in its discretion, to borrow or to buy any property necessary to make delivery of property in compliance with any Transaction or to replace any such property previously delivered and to deliver the same to such purchaser or other party to whom delivery is to be made, and if IBLUX borrows or otherwise acquires property from a third party for such purposes, IBLUX may subsequently pay for, or repay the loan of, such property with securities purchased or otherwise acquired for Client's account(s).

2.4.4 **Taxes:** IBLUX may, in its discretion, deduct or withhold from any of the Client's account(s) or from any amount due to the Client all forms of tax (whether a tax of the Grand Duchy of Luxembourg or elsewhere in the world and whenever imposed) in accordance with Applicable Law and Regulations. In accounting for taxes or in making deductions or withholdings of tax, IBLUX may estimate the amounts concerned.

## 2.5 Quotes, Market Information, Research and Internet Links

Quotes, news, research and information accessible through IBLUX (including through links to outside websites) ("**Information**") may be prepared by independent providers. The Information is the property of IBLUX, the providers or their licensors and is protected by law. Client agrees not to reproduce, distribute, sell or commercially exploit the Information in any manner without the written consent of IBLUX or the providers. IBLUX reserves the right to terminate access to the Information. None of the Information constitutes a recommendation by IBLUX or a solicitation to buy or sell. Neither IBLUX nor the providers guarantee accuracy, timeliness, or completeness of the Information, and Client should consult an advisor before making investment decisions.

RELIANCE ON QUOTES, DATA OR OTHER INFORMATION IS AT CLIENT'S OWN RISK. IN NO EVENT WILL IBLUX OR THE PROVIDERS BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, SPECIAL OR INDIRECT DAMAGES ARISING FROM USE OF THE INFORMATION. THERE IS NO WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, REGARDING THE INFORMATION, INCLUDING WARRANTY OF MERCHANTABILITY, WARRANTY OF FITNESS FOR A PARTICULAR USE, OR WARRANTY OF NON-INFRINGEMENT. IBLUX IS NOT RESPONSIBLE FOR DETERMINING WHETHER CLIENT IS ENTITLED TO RECEIVE OR SUBSCRIBE TO ANY RESEARCH SERVICES LISTED ON THE IBLUX WEBSITE OR FOR CLIENT COMPLIANCE WITH APPLICABLE RULES IN RELATION TO RESEARCH SERVICES. CLIENT UNDERTAKES TO NOTIFY IBLUX IF CLIENT CONSIDERS NOT TO BE ENTITLED TO ACCEPT AND RETAIN ANY OF THE RESEARCH SERVICES LISTED ON THE IBLUX WEBSITE. Subscription to research services is subject to the charges disclosed on the IBLUX website. You may pay for the subscription directly from your own resources, from a separate research payment account, or as otherwise permitted under applicable rules.

## 3 Custody Services

### 3.1 Client Money and Custody

For Transactions subject to this Agreement, IBLUX provides client money and assets on trust for the benefit of Clients and safe custody services. The following provisions set out the terms and conditions of our custody services that form the basis of our agreement with you.

#### 3.1.1 **Holding your Money:**

- 3.1.1.1 Your money will be held by IBLUX as client money in accordance with the applicable Client Assets Rules, which among other things, require IBLUX to hold your money in one or more bank accounts segregated from IBLUX's own funds. We may allow another organisation, such as an exchange, clearing house or an intermediate broker, which may include affiliates, to hold client money for the purpose of a Transaction for you through or with that organisation, or to meet any obligation.
- 3.1.1.2 Where IBLUX holds your money in such bank account(s) or with other organisations, it may be pooled with the money of other clients of IBLUX. This means that in the event of IBLUX's failure you do not have a claim against a specific sum held in a specific account, but your claim is only for a share of the total client money held in that pool. Any shortfall in client money held in that pool would be borne by you rateably in accordance with your entitlements in respect of the client money held for clients on this basis. In such circumstances, you may not receive an amount equal to the individual sum owing to you.
- 3.1.1.3 IBLUX will exercise due skill, care and diligence when selecting a bank or banks to hold this client money and will periodically review the bank or banks it has selected to hold client money. However, IBLUX is not responsible under any circumstances for any facts, omissions or default of any bank chosen by it. In the event of the insolvency or any other analogous proceedings of a third party holding client money, any shortfall in the amount of money in the relevant client bank accounts may be insufficient to satisfy the claim of all clients in respect of those accounts and you will share proportionally in the shortfall with other creditors of the third party.
- 3.1.1.4 Where your money is held with a bank or other organisations outside Luxembourg or the European Economic Area ("EEA"), to the extent permitted by the Client Assets Rules, the legal and regulatory regime applying to such credit institution or bank may differ to that applicable in Luxembourg or the EEA and your rights in relation to that bank or other organisation may be treated differently to the way it would be treated if it were held in Luxembourg. Therefore, an insolvency at the level of this bank or other organisation may lead to the inability of such bank or organisation to repay your money.
- 3.1.1.5 You expressly consent to the fact that some of your money may be invested in eligible and liquid money market funds. IBLUX will exercise due skill, care and diligence when selecting a fund to that effect and will review and monitor such placement at very regular intervals. You expressly acknowledge that consequently money which has been placed with such eligible money market funds will not benefit from the same level of protection as money which is deposited with in an account held with a bank and will not be held in accordance with the requirements mentioned above.

### 3.1.2 **Holding your Assets**

- 3.1.2.1 Where we hold your assets as custodian in accordance with the Client Assets Rules, we may use IBLUX affiliates or an unaffiliated third party to act as sub-custodian in respect of your assets. These sub-custodians may hold your assets in accounts at central securities depositaries or with other sub-custodians.
- 3.1.2.2 Where we appoint a sub-custodian we will exercise due skill, care and diligence in selecting and periodically reviewing them. However, save as provided under the Client Assets Rules, we will not be liable for their acts or omissions, insolvency or dissolution. We also do not accept responsibility for the obligations of any other sub-custodians, including central securities depositaries or clearing or settlement systems and we shall not be responsible in the event of their default.

- 3.1.2.3 Assets will be held on your behalf and, registered in the name of IBLUX in accordance with the Client Assets Rules. You expressly consent and authorise to IBLUX registering the assets in the name of IBLUX. IBLUX may use as sub-custodian one or more of its affiliates.
- 3.1.2.4 You authorise us to arrange for your assets to be held with a sub-custodian in one or more jurisdictions outside Luxembourg or the EEA. In some cases, assets which are held overseas will be subject to different settlement, legal and regulatory requirements than those that apply in Luxembourg or the EEA. In some jurisdictions, local law might not allow your assets to be separately identifiable from our assets or those of the sub-custodian. You might be at greater risk of loss if the sub-custodian fails.
- 3.1.2.5 You expressly consent and authorise us to deposit your assets with a specific third party that does not meet IBLUX's internal risk assessment
- 3.1.2.6 You expressly consent and authorise us to arrange for your assets to be held with a sub-custodian in one or more jurisdictions outside of Luxembourg or the EEA where the nature of the assets requires them to be deposited with a sub-custodian in a jurisdiction which does not regulate the holding and safekeeping of financial instruments for the account of another person.
- 3.1.2.7 At the request of a Professional Client, IBLUX may arrange for a Professional Client's assets to be held with a sub-custodian in a jurisdiction, or one or more jurisdictions outside of Luxembourg or the EEA which does not regulate the holding and safekeeping of financial instruments for the account of another person. You expressly consent and authorise us to arrange for your assets to be held in this way
- 3.1.2.8 Subject to Section 3.1.3 herein, IBLUX or the sub-custodian will be responsible for claiming and receiving dividends, interest payments and other entitlements arising from assets held in custody for you.

### 3.1.3 **Transfer of assets to depositaries, clearing houses and agents**

- 3.1.3.1 You authorise us and our sub-custodians to hold or transfer assets or entitlements to them to securities depositaries, clearing or settlement systems, account controllers or other participants in the relevant systems in the course of providing the services. Such assets or entitlements will be separately identifiable, to the extent allowed by local law, from any assets or entitlements held in the same system for our own account. These entities may be located in or outside of the jurisdiction in which we provide services to you.

### 3.1.4 **Registration/title and segregation of assets**

- 3.1.4.1 In order to show that assets are not available to its creditors, IBLUX will ensure that its records show that the assets are held for you and that they do not belong to IBLUX, sub-custodians or any other customers of IBLUX.
- 3.1.4.2 Where your assets are held by a sub-custodian, save as provided under the Client Assets Rules, we cannot guarantee that you would not lose your assets if the sub-custodian fails. Where there is a default by a sub-custodian resulting in a shortfall, you may be required to share in that shortfall in proportion to the value of the assets which our sub-custodian hold for you with other clients.
- 3.1.4.3 Assets held or deposited with us cannot be put up as security, in whole or in part for any of your obligations towards another third party without the written consent from IBLUX. You also cannot use assets held with us as security for a loan without our prior written consent.

- 3.1.4.4 Subject to Section 3.1.5 herein, registration in the name of IBLUX or sub-custodian may mean you lose incentives and shareholder benefits attaching to securities.

## 4 Margin Requirement, Security Interest, Netting and Set Off

### 4.1 IBLUX Margin Policies

- 4.1.1 **Risk of Margin Trading:** Margin Trading is highly risky and, unless differently required by Applicable Law and Regulations, may result in a loss of funds greater than Client has deposited in the account.
- 4.1.2 **Margin Requirements and Changes to Margin Requirements:** Margin transactions are subject to IBLUX's margin requirements ("**Margin Requirements**"), which may include initial margin and/or maintenance margin requirements. IBLUX's Margin Requirements may exceed the margin required under rules of exchanges or clearing houses or governmental or other regulatory agencies. IN ORDER TO PROTECT THE FIRM AND ALL OF OUR CLIENTS, IBLUX MAY MODIFY MARGIN REQUIREMENTS FOR ANY OR ALL CLIENTS FOR ANY OPEN OR NEW POSITIONS AT ANY TIME, IN IBLUX'S SOLE DISCRETION. Margin Requirements may be increased for particular Clients for some or all Products in IBLUX's sole discretion (e.g., in the event of a concentrated position or other risk factors). For the purposes of initial margin requirements, unless you notify us otherwise, we have categorised you as an entity which does not fall within the initial margin requirements mandated by the Margin Delegated Regulation. To ensure we adhere to all regulatory requirements, IF YOU DO FALL WITHIN THE INITIAL MARGIN REQUIREMENTS MANDATED BY THE MARGIN DELEGATED REGULATION, YOU UNDERTAKE TO NOTIFY US PROMPTLY OF YOUR CHANGE IN STATUS.
- 4.1.3 **Valuation:** The market values/prices used to compute the equity in any account and/or to compute the Margin Requirements shall be determined in IBLUX's sole discretion and may differ from the values/prices disseminated by exchanges or other market data sources. Among other things, IBLUX may calculate its own index values, Exchange Traded Fund ("**ETF**") values or derivatives values, and IBLUX shall have sole discretion whether to value securities, futures, OTC Products or other investment products based on bid price, offer price, midpoint or using some other method. You acknowledge that IBLUX may use a valuation methodology that is more conservative than the marketplace as a whole and that this may effectively constitute a higher "house" Margin Requirement, which IBLUX has a right to establish.

IBLUX's house Margin Requirements or risk control parameters may include leverage ratio limits or position size limits for securities, commodities, currencies, OTC Products or other products (for example, IBLUX may limit the ratio by which the gross position value of the account may exceed the equity of the account and limit the ratio by which unsettled transactions may exceed account equity). These limits address situations in which there may be little or no apparent market risk in holding a position but there may be settlement or other risk. If these limits are reached or exceeded, your account may not be able to engage in new trades and existing positions may be liquidated without notice.

- 4.1.4 **Requirement to Maintain Sufficient Margin Continuously, at all Times, Including Intraday:** Client shall monitor their account so that at all times the account contains sufficient equity to meet Margin Requirements. Client shall maintain, without notice or demand, sufficient equity at all times to continuously meet Margin Requirements. IBLUX may reject any order if the account has insufficient equity to meet Margin Requirements, and may delay processing any order while determining margin status. Formulas for calculating Margin Requirements on the IBLUX website are indicative only and may not reflect actual Margin Requirements. Clients must at all times satisfy whatever Margin Requirement is calculated by IBLUX.
- 4.1.5 **IBLUX will not Issue Margin Calls:** IBLUX does not have to notify Client of any failure to meet Margin Requirements prior to IBLUX exercising its rights under this Agreement, including but not limited to its right to liquidate positions in Client's account(s). Unlike the practice of some other brokers and dealers who allow intraday or overnight or multi-day "grace periods" for margin compliance, Client acknowledges that IBLUX generally will not issue margin calls; generally will not allow a grace period in Client's account for Client to meet intraday or other margin deficiencies; and is authorised to liquidate account positions immediately in order to satisfy Margin Requirements without prior notice.
- 4.1.6 **Liquidation of Positions and Offsetting Transactions:** IF AT ANY TIME CLIENT'S ACCOUNT HAS INSUFFICIENT EQUITY TO MEET MARGIN REQUIREMENTS OR IS IN DEFICIT, INCLUDING INTRA-DAY, IBLUX HAS THE RIGHT BUT NOT THE OBLIGATION, IN ITS SOLE DISCRETION, TO LIQUIDATE ALL OR ANY PART OF CLIENT'S POSITIONS (OR TO ESTABLISH NEW RISK-REDUCING POSITIONS) IN ANY OF CLIENT'S ACCOUNTS, INDIVIDUAL OR JOINT, AT ANY TIME AND IN ANY MANNER AND THROUGH ANY MARKET OR DEALER, WITHOUT PRIOR NOTICE OR MARGIN CALL TO CLIENT. UNLESS DIFFERENTLY REQUIRED BY APPLICABLE LOCAL LAW AND REGULATION, CLIENT SHALL BE LIABLE AND WILL PROMPTLY PAY IBLUX FOR ANY DEFICIENCIES IN CLIENT'S ACCOUNT THAT ARISE FROM SUCH LIQUIDATION OR REMAIN AFTER SUCH LIQUIDATION. IBLUX HAS NO LIABILITY FOR ANY LOSS SUSTAINED BY CLIENT IN CONNECTION WITH SUCH LIQUIDATIONS (OR IF THE IBLUX SYSTEM DELAYS EFFECTING, OR DOES NOT EFFECT, SUCH LIQUIDATIONS) EVEN IF CLIENT RE-ESTABLISHES ITS POSITION AT A WORSE PRICE.

IBLUX may allow Client to pre-request the order of liquidation in event of a margin deficiency, but such requests are not binding on IBLUX and IBLUX retains sole discretion to determine the assets to be liquidated and the order/manner of liquidation. IBLUX may liquidate through any market or dealer, and IBLUX or its affiliates may take the other side of the transactions consistent with applicable laws and regulations. If IBLUX liquidates any/all positions in Client's account, such liquidation shall establish Client's gain/loss and remaining indebtedness to IBLUX, if any. Client shall reimburse and hold IBLUX harmless for all actions, omissions, costs, fees (including, but not limited to, attorneys' fees), or liabilities associated with any such transaction undertaken by IBLUX.

If IBLUX executes an order for which Client did not have sufficient equity, IBLUX has the right, without notice, to liquidate the trade and Client shall be responsible for any resulting loss and shall not be entitled to any resulting profit.



Unless a specific law in your jurisdiction requires otherwise, you cannot assume that IBLUX's general policy to liquidate positions with a margin deficiency will prevent you from losing more than you have deposited with IBLUX. Among other things, markets may "gap" down and IBLUX may not be able to close out a position at a price that would avoid losses greater than your margin deposit. Likewise, IBLUX may in its discretion delay or decide not to liquidate a position with a margin deficit. If you wish to avoid further losses on any position, you must close out the position yourself and not rely on IBLUX to do so.

If IBLUX does not, for any reason, liquidate under-margined positions, and issues a margin call, Client must satisfy such call immediately by depositing funds. Client acknowledges that even if a call is issued, IBLUX still may liquidate positions at any time.

Client acknowledges that IBLUX also has the right to liquidate all or part of Client's positions without prior notice upon any "Default" as described below.

- 4.1.7 **Options and Other Rights' Expiration:** Prior to the start of the last trading day before expiration, Client agrees to liquidate (i.e., close out) any long (or short) option position or other rights position (including but not limited to equity options, ETF options and non-cash settled futures options) that Client holds for which Client has insufficient equity or may have insufficient equity at expiration to exercise (or be assigned on) such position and to then carry the resulting underlying position in Client's account. Client acknowledges that approaching expiration with long or short options for which Client does not or may not have sufficient equity to hold the underlying position puts Client and IBLUX at serious risk (including the risk of market movements in the underlying product between expiration and the next opening of the market in the product). If Client has not closed out a long or short option or other rights position prior to the start of the last trading day before expiration, and if IBLUX in its sole discretion determines that Client has or may have insufficient equity to take the underlying position in Client's account upon expiration, IBLUX has the right, in its sole discretion, to do any or all of the following and Client shall have no claim for damages or lost profits resulting from any or all of the following: a) IBLUX may liquidate some or all of the options or rights position prior to expiration; and/or b) IBLUX may lapse some or all of the options (i.e., instruct that they not be exercised), even if in-the-money at expiration; and/or c) IBLUX may allow some or all of the options to be exercised/assigned and then liquidate the resulting position.

## 4.2 Security Interest and Set Off Provisions

- 4.2.1 **Security Interest:** All Client's assets of any kind held by or on behalf of IBLUX for Client's account are hereby pledged to IBLUX to secure performance of obligations and liabilities to IBLUX arising under this or any other agreement. You represent that any margin transferred to us is free and clear of any liens or security interests, and you agree that you will not create or agree to assign or transfer, any of the margin transferred to us.

4.2.2 **Event of Default:** A "Default" occurs automatically, without notice upon: (i) Client breach/repudiation of any agreement with IBLUX; (ii) Client failure to provide assurance satisfactory to IBLUX of performance of an obligation, upon reasonable request from IBLUX; (iii) proceedings by/against Client under any bankruptcy, insolvency, or similar law; (iv) assignment for the benefit of Client's creditors; (v) appointment of a liquidator or similar officer for Client or Client property; (vi) Client representations being untrue or misleading when made or later becoming untrue; (vii) legal incompetence of Client; (viii) proceeding to suspend Client business or license by any regulator or organisation; (ix) IBLUX having reason to believe that any of the foregoing is likely to occur imminently. Client unconditionally agrees that, upon a Default, IBLUX may terminate any or all IBLUX's obligations to Client and IBLUX shall have the right in its discretion, but not the obligation, without prior notice, to liquidate all or any part of Client's positions in any IBLUX account, individual or joint, at any time and in any manner and through any market or dealer. Client shall reimburse and hold IBLUX harmless for all actions, omissions, costs, fees (including, but not limited to, attorneys' fees), or liabilities associated with any Client Default or any transaction undertaken by IBLUX upon Default.

4.2.3 **Netting Agreement:**

4.2.3.1 **Netting by Novation:** Each Transaction between Client and IBLUX will immediately be netted with all the existing Transactions between Client and IBLUX for the same currencies to constitute one Transaction.

4.2.3.2 **Payment Netting:** If on any delivery date more than one delivery of a currency is due, each party shall aggregate the amounts deliverable in that currency and only the difference shall be delivered.

4.2.3.3 **Close-Out Netting and Set-Off Rights:** Subject to applicable European Union laws and regulations (including the ESMA Decision if still in effect), if Client: (i) incurs a margin deficit in any IBLUX account, (ii) defaults on any obligation to IBLUX, (iii) incurs a "Default" as specified in Section 4.2.2 herein, or (iv) fails to pay debts when due, IBLUX has the right but not the obligation to close-out Client's Transactions, liquidate all or some of Client's collateral and apply the proceeds to any debt to IBLUX. IBLUX shall be entitled to charge Client all commissions, spreads, costs and charges incurred.

4.2.3.4 Upon Close-Out Netting or any "Default", all outstanding Transactions will be deemed terminated as of the time immediately preceding the triggering event, petition or proceeding. Without prejudice to any other rights and remedies available to IBLUX (whether by agreement, by law or otherwise) IBLUX reserves the right, at any time, from time to time, without notice to Client and in its sole discretion, to combine and consolidate any or all of Client's accounts (of whatever nature or type the Client holds with IBLUX or IBLUX's affiliates) and positive and negative exposures and/or to set off some or all of Client's account balances and any other amounts of whatsoever nature which may be due or payable from IBLUX to Client (of whatsoever nature and howsoever and whenever arising) against all interest, costs, expenses, charges, realised losses, margin on deposit, negative positions and any and all other liabilities and amounts (of whatsoever nature and howsoever and whenever arising) owed by Client to IBLUX under this or any other agreement between Client and IBLUX. If IBLUX exercises such rights of combination consolidation and/or set-off, all obligations for payment in respect of all the foregoing will be cancelled and simultaneously replaced by a single obligation to pay a net sum of cash to IBLUX or (if a net amount is payable to Client) to Client.

- 4.2.3.5 IBLUX may apply the above rights regardless of the currency of any amount payable by IBLUX to Client or by Client to IBLUX. IBLUX may (whether in connection with the exercise of any rights under this Section or otherwise) convert money standing to Client's credit in any of Client's accounts with IBLUX or any other profit, loss, exposure or liability or any money received from Client or due to be paid by Client to IBLUX or by IBLUX to Client from one currency to another at prevailing market rates available to IBLUX. IBLUX shall be entitled to charge Client all commission, spreads, costs and charges incurred in connection with the foregoing.
- 4.2.3.6 The Netting and Set-Off rights in this Section 4.2.3 shall be binding towards the estate and creditors of the parties.

## 5 Our Remuneration

### 5.1 Commissions and Fees, Interest Charges, Funds

- 5.1.1 Information about fees, charges, commissions and minimum applicable to IBLUX brokerage and related services ("**Costs and Charges**") are delivered to Client through the IBLUX website. Additional information on the estimated effect of Costs and Charges on hypothetical returns is also made available through the IBLUX website under Forms and Disclosures, MiFID II Disclosures. Details of the fees and charges regarding Products issued or originated by third party product manufacturers are disclosed in the documentation of such Products.
- 5.1.2 The information on Costs and Charges provided to you set out: (a) the basis of the calculation of our fees; (b) how frequently they are to be paid; and (c) where relevant, whether any other payment is to be received by IBLUX in connection with Transactions IBLUX carries out for Client in addition to, or instead of, our charges.
- 5.1.3 Clients of Financial Advisors or Introducing Brokers might have agreed with their Financial Advisor or Introducing Broker a fee schedule applicable to the services provided by that Advisor or Broker in relation to Client's account ("**FA and Broker Costs and Charges**"). The FA and Broker Costs and Charges are in addition to the Costs and Charges applied by IBLUX for its Services. It is your Financial Advisor or Introducing Broker's responsibility to notify you of their fee schedule and provide, upon Client's request, the annual statement with the aggregated amount of costs and charges applied by the Financial Advisor or Introducing Broker to Client's account. If instructed by your Financial Advisor or Introducing Broker, IBLUX will collect from your account and pay to your Financial Advisor or Broker the corresponding amount of FA and Broker Costs and Charges. IBLUX shall not be held liable for any payment made to the Financial Advisor or the Introducing Broker whether consented by you or not.
- 5.1.4 Costs and Charges are as specified on the Pricing section of the IBLUX website unless otherwise agreed in writing by an officer of IBLUX. Client acknowledges that IBLUX deducts commissions/fees from Client accounts, which will reduce account equity. Positions will be liquidated if commissions or other charges cause a margin deficiency. Costs and Charges are charged either as a fixed amount or as a percentage depending on the basis for calculation specified on the IBLUX website. Changes to Costs and Charges are effective immediately upon any of: posting on the IBLUX website or email or other written notice to Client. IBLUX shall pay credit interest to and charge debit interest from Client at interest rates and terms specified on the IBLUX website (see "Interests and Financing" under "Pricing"). Client funds may not be disbursed until after Transactions are settled. Terms and conditions for deposit and withdrawal of funds (including holding periods) are as specified on the IBLUX website.

5.1.5 IBLUX shall pay interest to the Client and shall charge interest to the Client at such interest rates and on credit or debit balances as are then set forth on the IBLUX website. IBLUX reserves the right, in its sole discretion, to amend its credit and debit interest policies, interest rates and the frequency with which interest is charged, at any time, upon notice made by posting the amended policies or rates on the IBLUX website. IBLUX reserves the right to charge interest on credit balances on particular currencies if set forth on the IBLUX's website.

5.1.6 IBLUX may share commissions, fees or minor non-monetary benefits with associates, introducing agents or other third parties. IBLUX is entitled, under the MiFID II Rules, to pay or be paid commissions, fees or minor non-monetary benefits where the relevant commission, fee or minor non-monetary benefit is: (a) designed to enhance the quality of the service that IBLUX provides to Clients; and (b) does not impair IBLUX's duty to act honestly, fairly and professionally in accordance with the best interests of our Clients and our obligations under the MiFID II Rules. IBLUX shall disclose to the relevant Clients the existence, nature and amount of any relevant commission, fee or minor non-monetary benefit. Where the amount cannot be ascertained, IBLUX shall disclose to the relevant Client the method of calculation of the commission, fee or minor non-monetary benefit. Minor non-monetary benefits may be described in a generic way.

## 5.2 Multi-Currency Function in IBLUX Accounts

5.2.1 Client may be able to trade Products denominated in different currencies. If you instruct us to enter into any Transaction that is effected in another currency: (i) all payments shall be made in the currency in which the Transaction is denominated (i.e., the account shall be credited or debited in the transaction currency) unless otherwise indicated by IBLUX; (ii) any profit or loss arising as a result of a fluctuation in the exchange rate affecting such currency will be entirely for your account.

5.2.2 If Client maintains positions denominated in foreign currencies, IBLUX will calculate Margin Requirements by applying exchange rates specified by IBLUX. IBLUX WILL APPLY "HAIRCUTS" (A PERCENTAGE DISCOUNT ON THE FOREIGN CURRENCY EQUITY AMOUNT) TO REFLECT THE POSSIBILITY OF FLUCTUATING EXCHANGE RATES. CLIENT MUST CLOSELY MONITOR MARGIN REQUIREMENTS AT ALL TIMES, PARTICULARLY FOR POSITIONS DENOMINATED IN FOREIGN CURRENCIES, BECAUSE FLUCTUATION IN THE CURRENCY AND THE VALUE OF THE UNDERLYING POSITION CAN CAUSE A MARGIN DEFICIT.

## 5.3 Unpaid Account Deficits

5.3.1.1 If an account incurs a deficit, margin interest rates will apply until the balance is repaid. Client agrees to pay reasonable costs of collection for any unpaid Client deficit, including attorneys' and collection agent fees. IBLUX may assign enforcement of its claim against you for an account deficit to any party, including its affiliates.

# 6 Warranties, Indemnities and Default

## 6.1 Limitation of Liability and Liquidated Damages Provision

6.1.1 NEITHER IBLUX NOR ITS AFFILIATES SHALL BE LIABLE TO CLIENT BY REASON OF DELAYS OR INTERRUPTIONS OF SERVICE OR TRANSMISSIONS, OR FAILURES OF PERFORMANCE OF THE ELECTRONIC SERVICES, REGARDLESS OF CAUSE, INCLUDING, BUT NOT LIMITED TO, THOSE CAUSED BY HARDWARE OR SOFTWARE MALFUNCTION; GOVERNMENTAL, EXCHANGE OR OTHER REGULATORY ACTION; ACTS OF GOD; WAR, TERRORISM. CLIENT RECOGNISES THAT THERE MAY BE DELAYS OR INTERRUPTIONS IN THE USE OF THE ELECTRONIC SERVICES, INCLUDING, FOR EXAMPLE, THOSE CAUSED INTENTIONALLY FOR PURPOSES OF SERVICING THE SYSTEM.

## 6.2 Representations Regarding Client Capacity

6.2.1 You represent to us that, at the date of this Agreement and at the time of each Transaction:

6.2.1.1 You have full power and authority and have taken all necessary steps to enable you to lawfully enter into and to perform all your obligations under this Agreement.

6.2.1.2 You are financially sophisticated, have sufficient experience with the securities, options, futures, and other investment products to be traded in your account and you are knowledgeable about the risks and characteristics of such products.

6.2.1.3 Unless you notify us otherwise in writing and we agree, you deal as principal only and no person other than yourself has or will have any interest in any transaction or in any account that we hold on your behalf, and all sums or other assets deposited as margin are beneficially owned by you and you will not create any charge or other encumbrance over or in respect of such money or assets.

6.2.1.4 You will provide to us, on request, such information regarding your identity as we may reasonably require to comply with anti-money laundering regulations.

6.2.1.5 No Event of Default or potential Event of Default as specified in Section 4.2.2 has occurred and is continuing with respect to you.

6.2.1.6 All information you have given to us is true and accurate in all material respects and you will notify us promptly of any changes to the information.

## 6.3 Other Client Representations and Warranties

- 6.3.1.1 If Client is not an individual (e.g., is a corporation, unincorporated business, partnership or trust), Client and each of Client's authorised representatives represent and warrant that, as of the date of this Agreement and each time they place an order and/or execute a Transaction:
- (i) it is duly incorporated and validly existing under the laws of its place of organisation or formation;
  - (ii) it has, and will have, pursuant to its articles of incorporation, partnership agreement, charter, by-laws, operating agreement or other governing document(s) ("**Governing Documents**") and the jurisdictions in which Client is registered, authorised, and/or regulated, the power and authority to enter into, exercise its rights, and perform or comply with its obligations under this Agreement and each order;
  - (iii) it has, and will have, pursuant to its Governing Documents and the jurisdictions in which Client is registered, authorised, and/or regulated, the power and authority to trade the securities, options, futures, and other investment products to be traded in Client's account;
  - (iv) it has and will have taken all necessary action to authorise the exercise, performance, and execution of this Agreement and any other document relating to this Agreement to which Client is a party;
  - (v) it is under no legal incapacity;
  - (vi) it is financially sophisticated;
  - (vii) it has sufficient experience with, and is knowledgeable about, the risks and characteristics of the securities, options, futures, and other investment products to be traded in Client's account; and
  - (viii) the persons which Client identifies to IBLUX as authorised to enter orders and trade on behalf of Client have full authority to do so.

6.3.1.2 If Client is a trust, "Client" as used herein refers to the Trust and/or the Trustees. The Trustee(s) hereby represent(s) that:

- (i) There are no other Trustees of the Trust other than those identified in the documents required to open and operate Client's account ("**Account Application Materials**");
- (ii) IBLUX and its affiliates have the authority to accept orders and other instructions relative to this account from the Trustee(s). Trustee(s) hereby certifies(y) that IBLUX and its affiliates are authorised to follow the instructions of any Trustee and to deliver funds, securities, or any other assets in this account to any Trustee or on any Trustee's instructions, including delivering assets to a Trustee personally. IBLUX and any of its affiliates, in their respective sole discretion and for their respective sole protection, may require the written consent of any or all Trustee(s) prior to acting upon the instructions of any Trustee;
- (iii) Trustee(s) has (have) the power under the Trust, the documents governing the Trust ("**Trust Agreement**") and applicable law to enter into this Agreement and open the type of IBLUX account applied for, and to enter into Transactions and issue instructions for this account. To the extent that the following activities are permitted for the type of account being opened, such powers may include, without limitation, the authority to buy, sell (including short sales), exchange, convert, tender, redeem and withdraw assets (including delivery of securities to and from the account) to trade securities on margin or otherwise (including the purchase and/or sale of option contracts), and/or the authority to trade futures and/or options on futures, for and at the risk of the Trust;
- (iv) Should only one Trustee execute this Agreement, it shall be a representation that such Trustee has the authority, pursuant to the Trust Agreement, to execute this Agreement and to enter into transactions and issue instructions for this account as described above, without acknowledgement or consent by the other Trustees;
- (v) Trustee(s) certifies(y) that any and all Transactions effected and instructions given regarding this account will be in full compliance with the Trust, the Trust Agreement, and Applicable Law and Regulations;
- (vi) Trustee(s), jointly and severally, shall indemnify IBLUX and its affiliates and hold IBLUX and its affiliates harmless from any claim, loss, expense or other liability for effecting any Transactions, and acting upon any instructions given by the Trustee(s);
- (vii) Trustee(s), agree(s) to inform IBLUX of any material change in any information provided in the Account Application Materials by an e-mail addressed to the IBLUX Customer Service Department at [help@interactivebrokers.com](mailto:help@interactivebrokers.com); and
- (viii) Trustee(s) represent(s) that the statements and certifications made herein and the information provided in the account application process are true and correct, and authorises IBLUX and any of its affiliates to confirm their accuracy as it deems necessary.

6.3.1.3 If Client is a regulated entity or affiliated with a regulated entity: Client represents and warrants to IBLUX that, as at the date of this Agreement and each time it places an order and/or executes a Transaction, unless Client has notified IBLUX to the contrary in its Account Application Materials, Client is not:

- (i) a broker-dealer, futures commission merchant, or comparable securities, futures or investment professional;
- (ii) an affiliate, associated person or employee of a broker-dealer, futures commission merchant, or comparable securities, futures or investment professional; or
- (iii) an affiliate, associated person, or employee of any exchange, clearing house or regulatory agency or self-regulatory organisation.

- 6.3.1.4 Client shall promptly notify IBLUX in an e-mail addressed to [clientcompliance@interactivebrokers.eu](mailto:clientcompliance@interactivebrokers.eu) in the event that any of the above representations or warranties materially change or cease to be true and correct. Without limiting the generality of the foregoing, Client specifically agrees to notify IBLUX immediately in the event that:
- (i) If Client is a corporation, unincorporated business, partnership, or trust, there is a significant change in the nature of Client's business or ownership;
  - (ii) If Client is an unincorporated business or partnership, the authorised signatories of the business or partnership change; and
  - (iii) if Client is a trust, any trustee is replaced. In all of the foregoing events, Client agrees to provide to IBLUX any additional information or documentation that IBLUX deems necessary or desirable, upon IBLUX's request.

## 7 Use of Electronic Services

### 7.1 Use of Electronic Services

- 7.1.1 **License to Use IBLUX and Its Affiliates' Software:** IBLUX and its affiliates in the Interactive Brokers Group of companies grant Client a non-exclusive, non-transferable license to use Interactive Brokers Group Software solely as provided herein. Title to Interactive Brokers Group Software and updates shall remain the sole property of IBLUX and/or its Interactive Brokers Group affiliates, including all patents, copyrights and trademarks. Client shall not sell, exchange, or transfer the Interactive Brokers Group Software to others. Client shall not copy, modify, translate, decompile, reverse engineer, disassemble or reduce to a human readable form, or adapt, the Interactive Brokers Group Software or use it to create a derivative work. IBLUX and its affiliates are entitled to immediate injunctive relief for threatened breaches of these undertakings.
- 7.1.2 **Client Must Maintain Alternative Trading Arrangements:** Computer-based systems and Electronic Services such as those used by IBLUX are inherently vulnerable to disruption, delay or failure. CLIENT MUST MAINTAIN ALTERNATIVE TRADING ARRANGEMENTS IN ADDITION TO CLIENT'S IBLUX ACCOUNT FOR EXECUTION OF CLIENT'S ORDERS IN THE EVENT THAT THE ELECTRONIC SERVICES ARE UNAVAILABLE. By signing this Agreement, Client represents that Client maintains alternative trading arrangements.
- 7.1.3 **Suspension or Withdrawal of Electronic Services:** Without limitation to any of our other rights under this Agreement, we reserve the right to suspend or withdraw temporarily or permanently all or any part of our Electronic Services, immediately at any time if: (i) we suspect or become aware of unauthorised use or misuse of any Security Information; (ii) you are in breach of any of the provisions of this Agreement or applicable laws or regulations; (iii) in our opinion, your or any Authorised User's connection to the Electronic Services is for any reason endangering the operation of it; or (iv) we are unable to provide access to the Electronic Services due to any defect in or failure of network, communication or computer systems owned or operated by us or you or any third parties.



- 7.1.4 **Consent to Accept Electronic Records and Communications:** IBLUX and its affiliates provide electronic trade confirmations, account statements, Key Information Documents for certain Products, tax information, proxy material and other Client records and communications (collectively, "**Records and Communications**") in electronic form to the maximum extent permitted by Applicable Law and Regulations. Electronic Records and Communications may be sent to Client's Trader Workstation or to Client's e-mail address, or for security purposes may be posted on the IBLUX website or on the secure website of one of IBLUX's service providers, with a notification sent to Client to login and retrieve the Records and Communications. By entering into this Agreement, Client consents to the receipt of electronic Records and Communications. Such consent will apply on an ongoing basis and for every tax year unless withdrawn by Client. Client may withdraw such consent at any time by providing electronic notice to IBLUX through the IBLUX website. If Client withdraws such consent, IBLUX will provide required Records and Communications (e.g., tax document, proxy materials, etc.) in paper form upon request by telephone or via the IBLUX website. However, IBLUX reserves the right to require Client to close Client's account if Client withdraws consent to receiving electronic delivery of Records and Communications. In order to trade using the IB TWS, and to receive Records and Communications through the IB TWS, there are certain system hardware and software requirements, which are described on the IBLUX website at [www.interactivebrokers.eu](http://www.interactivebrokers.eu). Since these requirements may change, Client must periodically refer to the IBLUX website for current system requirements. To receive electronic mail from IBLUX, Client is responsible for maintaining a valid Internet e-mail address and software allowing Client to read, send and receive e-mail. Client must notify IBLUX immediately of a change in Client's e-mail address by using those procedures to change a Client e-mail address that may be available on the IBLUX website.

## 8 Data Protection and Recording

### 8.1 Data Protection and Confidentiality of Information

- 8.1.1 In accordance with the provisions of the EU Regulation n°2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data ("GDPR") and any data protection law applicable in Luxembourg (including but not limited to the law of 1st August 2018 on the organisation of the National Commission for Data Protection and the general regime on data protection, as may be amended or replaced) (collectively hereinafter the "**Data Protection Laws**") we may collect, store, and process information (including personal data and special categories of personal data, each as defined in GDPR, about you or, if you are a legal entity, your directors, shareholders, beneficial owners, employees, officers, agents or clients as necessary. You and we will each treat as confidential (both during and after the termination of the relationship between you and us) any information learned about the other in the course of the relationship pursuant to this Agreement and, except as otherwise agreed herein or as set out in the Interactive Brokers Group Privacy Policy, shall not disclose the same to any third party without the other's consent.
- 8.1.2 You acknowledge the Interactive Brokers Group Privacy Policy published on the IBLUX website and you are informed of the collection/use of your information as described therein and that with respect to the personal data processed by IBLUX to provide services to you, any reference to IBKR in the Interactive Group Privacy Policy is to be read as a specific reference to IBLUX.

## 8.2 Client's Consent to the Transfer of Personal Data Outside Luxembourg

8.2.1 Client acknowledges and hereby irrevocably authorises and instructs IBLUX and its directors, officers, employees and agents ("**Authorised Persons**") to disclose and transmit in accordance with Article 41(1) of the LFS, to IBLUX affiliates and third party service providers, without delay and without having to revert beforehand to Client, personal data as further detailed in Section 8.2.1.2 (the "Data") to the extent that the Authorised Persons deem such disclosure or transmission to be necessary or desirable in the context as further detailed in Section 8.2.1.1 (the "**Context**") below.

8.2.1.1 **Context:** IBLUX may rely on third party service providers for the provision of specific services (the "**Addressee**"). Such services include the following: audit, consultancy services, legal advice, regulatory, market access, data provision, identity verification, customer services, portfolio review, payment processing, tax services, employee track, banking, clearing and custody services. In this context, IBLUX has entered into outsourcing or relevant contractual arrangements with the Addressees. In order to enable the Addressees to execute their tasks, IBLUX has to communicate or enable access to Client related data to/by the Addressees. Client expressly consents to the reliance on the Addressees in this context.

8.2.1.2 **Data that may be transferred to the Addressee:** The Data may include, but are not limited to:

- (i) Name, physical address, nationality, main business activity of Client and any other information that has been provided by Client to IBLUX in the account opening documentation or during the provision of Services to Client.
- (ii) Name, physical address, nationality of the ultimate beneficial owners/officers/authorised representatives of Client and any other information pertaining to them that has been provided by Client to IBLUX in the account opening documentation or during the provision of Services to Client.

8.2.1.3 **List of Addressees:** *Inter alia* IB affiliates, consultants, law firms and legal counsels, auditors, regulators, exchanges, market data providers, identity verification providers, portfolio review software providers, payment processors, clearing houses, tax authorities, employee track vendors, banks and any other physical or legal person who might be identified by the Authorised Persons as being necessary or desirable for the provisions of IBLUX's Services to Client or any other directly or indirectly related reason.

8.2.1.4 **Place of establishment of the Addressees:** The Addressees are located in various jurisdictions which may include non-EU countries. Addressees are mainly located in the jurisdictions where the IB Group has a physical presence. A list of such jurisdictions is available on the IBLUX website. Further details can be provided upon request.

8.2.1.5 **Duration of Client's consent:**

- (i) The present consent/instruction shall remain in full force and effect as long as Client maintains a business relationship with IBLUX and after for as long as required for IBLUX to comply with Applicable Law and Regulations. This consent/instruction remains valid in the event of Client's death, insolvency or incapacity to act, until revoked by the latter's heirs or successors.
- (ii) Notwithstanding the above, even after the termination of the business relationship between Client and IBLUX, Data which fell within the scope of or was transferred by virtue of this consent/instruction prior to such termination, will remain subject to this consent/instruction. This

authorisation may be revoked by the parties at any time by registered letter addressed to IBLUX.

#### 8.2.1.6 **Miscellaneous:**

- (i) Client hereby acknowledges that the transfer of the Data to the Addressee under the present consent/instruction does not result in any breach by IBLUX of its professional secrecy obligation.
- (ii) Client irrevocably waives any claim it might have under any applicable law against any Authorised Persons and/or IBLUX for disclosing Data in the Context to the Addressee. Client also agrees that the Authorised Persons and/or IBLUX shall not be liable in respect of any loss, damage or expense of whatsoever nature that might be caused by the above-mentioned disclosure, communication or transmission of Data, except in case of gross negligence or willful misconduct.
- (iii) Client undertakes to inform any beneficial owner, officer and/or authorised representative of Client about the existence and content of the present consent/instruction and commits and undertakes (se porte-fort) to obtain their consent to the transfer of Data pertaining to them to the Addressee, as contemplated under the present consent/instruction, and that they will comply with all the provisions of this consent/instruction. In any case, Client acknowledges and warrants that IBLUX can validly assume that, if Client accepts the terms of this Agreement, any beneficial owner, officer and/or authorised representative of Client has been properly informed and has accepted the transfer of Data pertaining to him to the Addressee, as contemplated under the present consent/instruction, and will comply with all the provisions of this consent/instruction. It is Client's sole responsibility to ensure that the above is complied with by any beneficial owner, officer and/or authorised representative of Client. Client unconditionally and irrevocably agrees to indemnify and hold harmless IBLUX from and against any and all liabilities resulting from, and/or arising in connection with any claim against IBLUX for non-compliance for any reason with the aforementioned obligation to inform and obtain the consent of any of its beneficial owner, officer and/or authorised representative.

### 8.3 Telephone Conversations and Electronic Communications

- 8.3.1 Client consents to recording of all telephone conversations. You agree that IBLUX (our affiliates or representatives) may contact you by telephone as required and appropriate under this Agreement. To the extent permitted under Applicable Law and Regulations IBLUX, our affiliates or any other person appointed by us may access, review, disclose, monitor and/or record verbal and electronic messaging and communications (including email, instant messaging, facsimile, telephone and other electronic communications) with you or your agent. The recordings may be used as evidence if there is a dispute. Where required under Applicable Law and Regulations, a copy of records relating to telephone and electronic communications will be available to you upon request (provided that a charge may be payable), for a period of 5 years and, where requested by the competent authority, for a period of up to 7 years. We will retain such records in accordance with our procedures which may change from time to time in our absolute discretion. Client should not expect to be able to rely on IBLUX to comply with your record keeping obligations.

## 9 Particular Account Types

### 9.1 Joint Accounts

9.1.1 Each joint account holder agrees that each joint holder has authority, without notice to the other, to: (i) buy/sell Products (including on margin); (ii) receive account confirmations and correspondence; (iii) receive and dispose of money, securities or other assets; (iv) enter, terminate, or agree to modify this Agreement; (v) waive any part of this Agreement; and (vi) deal with IBLUX as if each joint holder was the sole holder. Notice to any joint holder constitutes notice to all joint holders. Each joint account holder is jointly and severally liable to IBLUX for all account matters. IBLUX may follow instructions of any joint holder and make delivery to any joint account holder individually of any account property. Upon death of any joint holder, the surviving holder shall give IBLUX notice by telephone or electronically through the IBLUX website and IBLUX may, before or after notice, initiate proceedings, require documents, retain assets and/or restrict transactions as it deems advisable to protect itself against any liability or loss. The estate of any deceased joint account holder shall be liable and each survivor will be liable, jointly and severally, to IBLUX for any debt or loss in the account or upon liquidation of the account.

## 9.2 Partnerships

9.2.1 If you are a partnership or more than one person, any liability arising under this Agreement shall be deemed to be the joint and several liability of the partners in the firm or of such persons as aforesaid. This Agreement shall not be terminated or prejudiced or affected by any change in the constitution of such firm or by the death of any one or more of such persons but in the event of any such death notice of termination shall be given by the survivor or survivors of such persons or the personal representatives of any such persons who have died.

## 9.3 Accounts of Introducing Brokers

9.3.1 If you are an Introducing Broker holding a consolidated or omnibus account with IBLUX for the benefit of your clients (which may include multiple accounts or subaccounts):

9.3.1.1 The consolidated/omnibus account(s) shall be carried in the name of Introducing Broker and Introducing Broker shall effect all Transactions to be executed and cleared by IBLUX through the consolidated/omnibus account(s). Introducing Broker shall be solely responsible for all aspects of the acceptance and handling of the individual accounts of the clients of Introducing Broker whose transactions are effected through the consolidated/omnibus account(s), the acceptance and handling of all orders submitted by Introducing Broker's clients, and all regulatory responsibilities and obligations related thereto including the disclosure of the costs and charges described in Section 5.1.3 above.

9.3.1.2 Introducing Broker represents that Introducing Broker is authorised pursuant to its articles of incorporation, charter, by-laws, operating agreement or other governing document(s) and all applicable laws and regulations to: (i) retain the services of IBLUX; (ii) enter into this Agreement; (iii) engage in the investment transactions to be effected through the account; (iv) effect such transactions on behalf of Introducing Broker's clients; and (v) engage in all other transactions and activities contemplated by this Agreement.

9.3.1.3 Introducing Broker represents that Introducing Broker and its officers, directors and employees are and will remain for the duration of this Agreement properly registered, licensed, or authorised (unless such persons are not required to be so registered, licensed, or authorised), under all applicable laws and regulations. Introducing Broker shall promptly notify IBLUX of any material changes in any of its regulatory or self-regulatory organisation registrations, licensures, authorisations, or memberships.

## 10 Complaints and Compensation

### 10.1 Complaints

10.1.1 All formal complaints should be made using one of the following means: (i) by WebTicket in Account Management on the IBLUX website; (ii) by letter to Complaints Handling, Compliance Department, Interactive Brokers Luxembourg SARL - 4, Rue Robert Stumper, L-2557 Luxembourg; (iii) by email to <mailto:ibeumgmt@ibkr.com>.

10.1.2 A summary of the IBLUX Internal Complaint Handling Procedures is made available through the IBLUX website.

### 10.2 Out-of-Court Complaint Resolution

10.2.1 In case the Client does neither receive a satisfactory answer nor an acknowledgement of receipt within a month, the CSSF shall be competent to receive complaints from the Client related to the provision of the Services and to act as an intermediary in order to seek an amicable settlement. The mission of the CSSF is to assist the parties concerned to reach an amicable settlement in the conflict opposing them. However, the reasoned conclusions of the CSSF are not binding on the parties. More information is available on the CSSF website <http://www.cssf.lu/en/consumer/complaints/>.

### 10.3 Luxembourg Investor Compensation Scheme

10.3.1 The *Systeme d'Indemnisation des Investisseurs Luxembourg* (Luxembourg Investor Compensation Scheme, "SIIL") protects each qualifying investor up to a limit of EUR 20,000 under the limits and conditions set out under the law of 18 December 2015 on the failure of credit institutions and certain investment firms, as amended. You may be entitled to compensation from the scheme in the unlikely event we cannot meet our obligations. This depends on the type of business and the circumstances of the claim. SIIL coverage is restricted to designated investments and may or may not cover certain products and certain Forex transactions, depending on how the transactions are characterised under the SIIL. Payments to eligible claimants under the SIIL will vary depending on the type of protected claim that the claimant has. For more information visit <http://www.cssf.lu/>.

## 11 Miscellaneous

### 11.1 Conflicts of Interest

- 11.1.1 IBLUX has various policies and procedures in place to assist in identifying, preventing and managing conflicts of interest between ourselves or any person directly or indirectly linked to us by control and you, or between you and another client that arise in the course of providing services. Our Conflicts of Interest policy provides the overall framework for the identification of conflicts and addresses business conduct and practices that may give rise to an actual or potential conflict of interest. A summary of our policy can be found on the IBLUX website. In addition to the Conflicts of Interest policy, there are various other policies and processes that address conflicts of interest that arise in specific circumstances, including those dealing with employee trading, external interests or gifts and entertainment. In those residual circumstances where our organisational or administrative arrangements are unable to prevent, with reasonable confidence, that the risk of the conflict has a negative impact on Client's interest, IBLUX will disclose the source and nature of the conflict to you as soon as reasonably possible as well as the steps taken to mitigate those risks prior to providing services to you. We hereby disclose that the following conflicts of interest, inter alia, may affect you:
- 11.1.2 Subject to Applicable Law and Regulations IBLUX and its affiliates may trade for their own accounts in the same or related products as Client and at the same or nearly the same time, either on the same or different sides of the market as Client; IBLUX and its affiliates have no obligation to disclose their trading activity to Client or to advise Client regarding Client's trading; IBLUX and its affiliates may execute proprietary trades even if IBLUX may simultaneously hold unexecuted Client orders for the same or related products at the same price.
- 11.1.3 For Forex transactions (including Forex CFDs), IBLUX generally will act as agent or riskless principal and charge a fee. IBLUX may effect Forex Transactions through an affiliate or third party, which may profit or lose from such Transactions.
- 11.1.4 Subject to Applicable Law and Regulations, IBLUX or its affiliates may be receiving payments or other benefits for directing orders to execution venues where your order is placed.
- 11.1.5 Subject to Applicable Law and Regulations, IBLUX may match your Transaction with that of any other client (including without limitation us, any affiliate, connected customer or other customer of ours) either on behalf of such person as well as on behalf of you or by executing matching Transactions at or about the same time with you and such person.
- 11.1.6 Where you provide us with information relating to your order or proposed Transaction, we may use that information to facilitate the execution of your orders or Transactions.
- 11.1.7 This list is not intended to be exhaustive and we may have relationships that could give rise to a conflict of interest. No further disclosure to you is required of any relationship, arrangement or interest which falls within the circumstances referred to in this Agreement. We shall not be obliged to disclose to you any matter, fact or thing if such disclosure would be a breach of any duty owed by us to any other person. Where it is not practical for us to disclose an interest to you, we may rely on a policy of independence or have appropriate information barriers in place.

## 11.2 Amendments and Termination

- 11.2.1 This Agreement cannot be amended or waived except in writing by an authorised IBLUX officer. Client Service employees cannot amend or waive any part of this Agreement. Client acknowledges that IBLUX may modify this Agreement by sending notice of the revised Agreement by e-mail or upon Client login. Your use of IBLUX's service after such notice constitutes acceptance of the revised Agreement.

11.2.2 Either Client or IBLUX can terminate Client's use of IBLUX's services at any time in either party's discretion. After termination, Client and IBLUX shall remain obligated to fulfil any outstanding obligations under this Agreement.

### 11.3 General

11.3.1 This Agreement contains the entire understanding between the parties with respect to transactions related to Products.

11.3.2 Nothing in this Agreement shall be taken to exclude or restrict our rights or obligations under Applicable Law and Regulations. We shall be entitled to take any action as we consider necessary in our sole discretion to ensure compliance with applicable laws and regulations and such actions shall be binding on you and shall not render us or any of our directors, officers, employees or agents liable.

11.3.3 Client consents to communicate with IBLUX in English or any other language as IBLUX may offer from time to time. Client also consents to receive Key Information Documents as required under the Packaged Retail and Insurance-based Investment Products Regulation for certain Products in English, unless those documents are made available in a different language by the product manufacturer.

11.3.4 Client may not assign or transfer any rights or obligations hereunder without the prior written consent of IBLUX. Upon notice to Client IBLUX may assign this Agreement. This Agreement shall inure to the benefit of IBLUX's successors and assigns. IBLUX may terminate this Agreement or its services to Client at any time. Client may close its account upon notice to IBLUX electronically through the IBLUX website, but only after all positions are closed and all other requirements specified on the IBLUX website regarding account closure are satisfied.

### 11.4 Governing Law and Jurisdiction

11.4.1 This Agreement shall be governed by the laws of the Grand Duchy of Luxembourg.

11.4.2 All disputes shall be of the exclusive competence of the Courts of Luxembourg, Grand Duchy of Luxembourg, unless IBLUX chooses to bring an action against the Client before any other court having jurisdiction under ordinary rules of procedure, in particular according to the applicable jurisdiction rules of the relevant European regulation or applicable convention.

### 11.5 Distance Marketing Information

11.5.1 This section only applies in case the Client qualifies as a consumer under Luxembourg law, i.e. a person acting outside its trade, professional or business activity.

11.5.2 In order to comply with the provisions relating to distance marketing, this Agreement will be subject to the following additional provisions:

11.5.3 Our main business is broking and dealing in financial products, including CFDs and Forex. Our address is Interactive Brokers Luxembourg SARL - 4, Rue Robert Stumper, L-2557 Luxembourg.

- 11.5.4 The products and services which IBLUX provide relate to MiFID financial instruments which by their very nature give rise to special risks related to their specific features. By way of example, in respect of the execution of orders, various factors, such as the price, will be influenced by fluctuations in the financial markets, and such other variables which are outside of IBLUX's control. Historical performance is not a reliable indicator of future performance.
- 11.5.5 Once you enter into the Agreement, you do not have a right to cancel the Agreement.
- 11.5.6 In addition to our charges, please note that other taxes and costs may exist that are not paid through or imposed by us.
- 11.5.7 There are no specific additional costs for you, which are charged by us, as a result of you entering into contracts without meeting one of our representatives.
- 11.5.8 Prior to entering into this Agreement, Luxembourg law will be the basis of the establishment of our relationship with you. This Agreement is supplied in English, and we will communicate with you in English during the course of our relationship with you.



## 12 ADDENDUM - ADDITIONAL TERMS APPLICABLE TO CERTAIN PRODUCTS

This Addendum contains Additional Terms Applicable to Certain Products. The Addendum and each Schedule herein contained form an integral part of this Agreement. Unless differently stated, terms defined in the General Business Terms of this Agreement have the same meaning in this Addendum. If there is any conflict between the terms of this Addendum and the terms in the rest of this Agreement the terms of this Addendum will prevail with respect to specific product terms.

### Schedule 1 – Contracts For Differences

The terms of this Schedule 1 that are applicable to you will differ, as specified below, depending on whether you have been classified as a Retail Client or as a Professional Client. Retail Clients are afforded a higher degree of regulatory protection than is afforded to Professional Clients. Contracts For Differences (“CFD”) transactions for Retail Clients will be subject to applicable European laws and regulations including the ESMA Decision if still in effect.

CFDs are complex instruments and come with a high risk of losing money rapidly due to leverage.

If you have been classified as a Retail Client you hereby acknowledge that you are aware of the percentage of retail investor accounts that lose money when trading CFDs with IBLUX, as published on the IBLUX website.

You should consider whether you understand how CFDs work and whether you can afford to take the high risk of losing money.

- 1. Nature of CFDs; no Voting or Other Rights in Underlying Product:** CFDs are contracts with IBLUX as your counterparty, and are not traded on a regulated exchange and are not cleared or settled on a central clearing house. A CFD is to secure a profit or avoid a loss by reference to fluctuations in the price of the underlying product (e.g. shares, foreign currencies, etc.), rather than by taking delivery of any underlying product. With respect to CFDs in shares, no CFD transaction shall confer on you any right, voting right, title or interest in any underlying product or entitle or oblige you to acquire, receive, hold, vote, deliver, dispose of or participate directly in any corporate action of any underlying product.
- 2. Detailed Contract Specifications Available on the IBLUX Website:** Further detail on contract specifications for CFDs will be provided on the IBLUX website and Client agrees to review such specifications prior to engaging in any CFD transaction. Contract specifications on the IBLUX website shall be binding on Client and on IBLUX unless specifically in conflict with this Agreement or unless specifically agreed otherwise in writing between Client and IBLUX.

3. **Trading Hours, no Obligation to Provide Quotations:** IBLUX generally will make CFD quotations available on the IBLUX platform beginning after the regular market opens in the underlying product and ending prior to or at the close of regular trading hours in the underlying product, although longer hours may be provided. Regardless of the foregoing, however, IBLUX is not obligated to provide quotes for any CFD at any time, and IBLUX **does** not guarantee the continuous availability of quotations or trading for any CFD. **IBLUX may in its sole discretion cease quoting CFDs and/or cease entering new CFD transactions at any time** based on lack of market data, halts, suspensions, delistings, errors, illiquidity or volatility in the market for the underlying product, IBLUX's own risk or profit parameters, technical errors, communication problems, market or political or economic or governmental events, acts of God or nature, or other reasons. In the event that Client wishes to close an open CFD transaction with IBLUX but IBLUX is not providing a quotation, if it is during regular trading hours and if the market in the underlying product is trading normally and is not subject to a halt or suspension or other extraordinary market condition, then Client may contact IBLUX and IBLUX shall use reasonable efforts to provide a quotation promptly to Client, absent extraordinary circumstances. Client orders sent to IBLUX for CFDs are not orders for the underlying product and will not be represented on exchanges that may list or trade the underlying product.
4. **Errors:** IBLUX has the right to cancel, adjust or close out CFD transactions after confirmation to you to correct errors, including but not limited to CFD transactions subject to technical errors in IBLUX's platform; CFD transactions at prices not reasonably related to the correct market price for the underlying product; and CFD transactions executed at a time and price at or near which trades in the market for the underlying product were cancelled or adjusted by exchanges or market centres.
5. **Opening and Closing CFD Transactions:** A CFD transaction with IBLUX will not expire but rather shall remain open until Client enters an offsetting (closing) transaction or until IBLUX exercises any of its rights to close out a transaction with you (e.g., because of a margin deficiency, because the underlying shares in a CFD held short have become unborrowable, etc.). A CFD transaction may also be closed or be altered or adjusted in the event of an action or event affecting the underlying product as described in this Agreement.
6. **Settlement:** All transactions relating to CFDs on shares and indexes shall be settled by payment of cash in the currency in which the CFD is denominated. Realised profit/loss and interest cash flows for CFDs involving Forex settle in the quote currency of the relevant currency pair. CFD purchases and sales shall settle in the same settlement period as the underlying product, unless otherwise specified on the IBLUX website or in a notice to Clients. You do not have any right or obligation to receive delivery of the underlying product in connection with any CFD.
7. **Commissions, Spreads:** IBLUX will charge a commission for CFD transactions, in the amount specified on the IBLUX website, and will deduct commissions as described in this Agreement. IBLUX, and/or its affiliates or third parties with or through whom IBLUX may hedge or effect its CFD trade with you, may also earn a "bid-ask spread" on the CFD transaction (meaning that you may pay a higher price to buy the CFD or receive a lower price to sell the CFD compared to the market prices for the underlying product or compared to prices offered for the CFD by other dealers).

## 8. Margin for CFDs:

- a. CFD transactions are subject to the IBLUX Margin Policies described in this Agreement.
  - (i) If Client is a Retail Client, Margin Requirements for CFDs will be subject to the ESMA Decision. To the extent that IBLUX's Margin Requirements exceed the margin levels prescribed by the ESMA Decision, IBLUX may modify Margin Requirements for any CFD or all CFDs for any open or new positions at any time, in IBLUX's sole discretion.
  - (ii) If Client is a Professional Client, Margin Requirements for CFDs generally will be calculated based on risk models utilised in IBLUX's sole discretion. IBLUX may modify Margin Requirements for any CFD or all CFDs for any open or new positions at any time, in IBLUX's sole discretion.
  
- b. Client shall monitor their account so that at all times (including intra-day) the account contains sufficient equity to meet Margin Requirements. IBLUX generally will not issue margin calls and generally will not allow any grace period in Client's account for Client to meet intraday or other margin deficiencies.
  - (i) If Client is a Retail Client, Margin Requirements for CFDs are subject to the minimum requirements in the ESMA Decision. In addition, IBLUX's Margin Requirements may exceed the levels in the ESMA Decision. IBLUX is authorised to liquidate CFD positions immediately in order to satisfy Margin Requirements without prior notice. Retail Client's accounts are subject to the negative balance protection in the ESMA Decision if still in effect. **IF YOU HAVE NOT BEEN CLASSIFIED AS A RETAIL CLIENT YOU WILL NOT BE ELIGIBLE FOR NEGATIVE BALANCE PROTECTION.**
  - (ii) If Client is a Professional Client, IBLUX is authorised to liquidate CFD and other account positions immediately in order to satisfy Margin Requirements without prior notice.
  
- c. IBLUX shall calculate a Reference Price for the CFD after the close of trading on each trading day. For CFDs on shares and indexes the Reference Price shall generally be based on the daily settlement price of the underlying product on the primary exchange on which the underlying product is traded. However, for those CFDs, and for CFDs involving Forex, IB reserves the right to use any reasonable price as the Reference Price in IBLUX's sole discretion (e.g., in the event of a trading interruption or halt at the end of day on the primary exchange, or in the event of other circumstances affecting the underlying product or market pricing, or if the underlying product is not traded on an exchange). After the close of trading, if, on any business day during the term of the CFD, the current Reference Price is higher than the close of business Reference Price of the preceding business day, then if you are long IBLUX shall be liable to you for such difference, and if you are short you shall be liable to IBLUX for such difference. If, on any business day during the term of the CFD, the current Reference Price is lower than the close of business Reference Price of the preceding business day, then if you are long you shall be liable to pay IBLUX the difference, and if you are short, IBLUX shall be liable to pay you the difference. IBLUX generally will process these credits/debits prior to the opening of trading on the following trading day, but IBLUX reserves the right to delay processing if circumstances reasonably warrant the delay.
  
- d. In the event that any price for an underlying product published on an exchange or by the sponsor of an index, and which is utilised by IBLUX for its Reference Price calculation, is subsequently corrected, IBLUX reserves the right to make an appropriate adjustment to your account in the amount payable by you as a result of the erroneous Reference Price, including any interest due accruing from the date of the error to the date of the correction adjustment.

- 9. Financing Charges (Interest) for CFDs:** You will pay a financing charge (interest) on the amount of all open long share or index CFD positions held overnight. Depending on prevailing interest rates, and excluding applicable borrow charges, you may receive a rebate (interest) for short CFD positions held overnight or you may pay a financing charge. You will pay a financing charge or receive a rebate on the amount of all rolled-over Forex CFD positions based on a rate calculated as the prevailing cash rebate for the base currency less the cash rate for the quote currency. The rate may be positive or negative, and a positive rate will be a credit for long positions and a charge for short positions. The financing charge or credit is calculated individually for each Forex CFD without regard to other balances you may have in those currencies. Financing charges and/or rebates on open CFD positions are calculated and charged/credited daily in the currency in which the CFD is denominated. CFD interest rates are determined by IBLUX and may be adjusted at any time in IBLUX's sole discretion. CFD interest rates are indicated on the IBLUX website and may vary based on the CFD balance interest. In addition to interest charged or rebated on CFD positions, margin account cash balances may earn (for positive balances) or be charged (for debit balances), cash interest at the prevailing rates on the IBLUX website may not be paid for cash balances under specified amounts, and interest rates paid/charged may vary based on the credit/debit balance.
- 10. Short Transactions in CFDs; Possibility of Forced Closure of Open Short Positions; Borrow Charges:** Depending on regulatory restrictions, stock loan and borrow market conditions, or other factors, short sales of CFDs may or may not be allowed depending on the underlying product. Further, IBLUX reserves the right, at any time in its sole discretion, to close out your open short CFD transaction by requiring you to buy in the CFD or by IBLUX issuing order(s) for your account to buy in the CFD (without notice to or consent by you) (including but not limited to in the event that the underlying product becomes difficult or impossible to borrow). In addition to standard CFD financing rebates or charges, borrow charges apply to short sales of CFDs. Borrow charge rates generally are based on the stock loan and borrow market for the underlying product. Indicative borrow charge rates for specific CFDs may be found on the IBLUX website but such rates are indicative only and may change at any time based on market conditions or at IBLUX's discretion.
- 11. Payments Reflecting Dividends on the Underlying Product:** A CFD does not give the holder the right to receive any cash dividend paid on the shares of the underlying product for share and index CFDs. Instead, if you are the buyer (long side) in a CFD transaction you will receive a cash credit based on a dividend attributable to the underlying product. If you are the seller (short side) in a CFD transaction you will be charged a cash debit. Whether the amount of the credit or debit will be based on the gross or net (of taxes) dividend attributable to the underlying product, and whether any additional adjustment or withholding will apply, may vary based on the particular CFD and the rules of the relevant taxation authorities. Please see the IBLUX website for more specific information, as well as for information as to the timing of the accrual and settlement of credits/ debits arising from a dividend in an underlying product.
- 12. IBLUX's Rights to Adjust, Modify and/or Close-Out CFD Transactions in the Event of a Corporate Action Affecting the Underlying Product:** In the event of a Corporate Action affecting the underlying product of a CFD, particularly in shares (e.g., splits, spin-offs, rights offerings, mergers and acquisitions, etc.):

- a) IBLUX in its sole discretion will determine the appropriate adjustment or modification or action to take, if any, and when, with respect to the CFD to preserve the reasonable economic equivalent of the rights and obligations of the parties. The adjustment or modification may result in the issuance of additional CFD positions (long or short) in the underlying product for the Client account, the reduction of CFD positions in the underlying product in the Client account, issuance of CFDs on a related underlying product for the Client account, cash credits or debits to the Client Account, and/or other appropriate adjustments or modifications.
- b) As an addition or alternative to making an adjustment or modification to a CFD in the event of a Corporate Action, IBLUX reserves the right in its sole discretion to close out your open CFD position in the underlying product (without notice to or consent by you) prior to the Corporate Action, or to require you to close out any open CFD position in the underlying product.
- c) Without limiting IBLUX's rights as set forth in paragraphs i) and ii) above to take whatever action IBLUX deems appropriate in its discretion with respect to a Corporate Action affecting the underlying product, IBLUX generally will apply the following principles:
  - d) When a Corporate Action results in the creation of new shares (reduction of existing shares) in the underlying product, IBLUX generally will create additional CFDs (reduce existing CFDs) held long or short in the Client account to mirror the Corporate Action.
  - e) If the Corporate Action results in the creation of a new entity with listed shares or a new type of shares for the same entity, and IBLUX determines in its sole discretion that it will offer CFD transactions in respect of the new entity shares or new type of shares, then IBLUX generally will create a long or short position, as appropriate, in the Client account in the CFDs in the new entity or new share class in the appropriate amount.
  - f) In other cases, including for any resulting fractional shares in cases otherwise referenced above, IBLUX will credit or debit the Client account with a cash adjustment determined in IBLUX's reasonable judgment to preserve the economic equivalent of the rights and obligations of the parties.
  - g) If IBLUX determines, in its sole discretion, that it is unable reasonably to determine a cash adjustment amount, IBLUX generally will terminate the CFD five days prior to the ex-date for the Corporate Action, or as soon as practicable if the announcement of the Corporate Action is less than five days from the effective date.

### **13. Market Abuse:**

- a) You represent and warrant that: (a) you will not open, and have not opened, any CFDs with us relating to a particular financial instrument, if to do so would result in you, or persons related with you, having an exposure to that financial instrument which is equal to or exceeds the amount of a Declarable Interest under any laws, rules or regulations in the relevant company unless you, or persons related with you, make the required declarations and notify us about your Declarable Interest immediately; (b) you will notify us and keep us updated at all times of your aggregate Declarable Interests; (c) you will not open, and have not opened, any CFDs with us in connection with: (i) a placing, issue, distribution or other analogous event; or (ii) an offer, take-over, merger or other analogous event in which you are involved or otherwise interested; and (d) you will not open, and have not opened, any CFDs that contravene any primary or secondary legislation or other law, including those against insider trading.
- b) You agree that we may proceed on the basis that when you open or close a CFD with us on a financial instrument price, you may be treated as trading in securities within the meaning of Chapters 2 and 3 of the Luxembourg law of 23 December 2016 on market abuse, as amended.
- c) If we have grounds to believe that you have opened any CFD in breach of the representations in this Agreement, we may in our sole discretion and without being under any obligation to inform you of our reason for doing so, close that CFD and any other CFDs that you may have open at the time. We may also: (a) enforce the CFD or CFDs against you if it is a CFD or CFDs under which you have lost money; and (b) treat all your closed CFDs as void if they are CFDs under which you have made money, unless and until you produce, promptly upon our request, conclusive evidence that you in fact have not committed any breach of warranty, representation or undertaking.
- d) You acknowledge that we shall not transfer voting rights relating to an underlying product to you or otherwise allow you to influence the exercise of voting rights held by us or on our behalf.

# APPENDIX 1

## Overview of Differences in Regulatory Protections for Retail and Professional Clients

If you were to elect to be treated as a “professional client” rather than a “retail client”, you would lose the benefit of certain protection under the MiFID II Rules which you would otherwise have (you may choose to be treated as a “professional client” instead of a “retail client” for certain transactions only, or for all of your transactions). Those of material relevance to the services we provide are described below.

### 1. Description of the nature and risks of packaged investments:

A firm that offers an investment service with another service or product or as a condition of the same agreement with a retail client must:

- (i) inform retail clients if the risks resulting from the agreement are likely to be different from the risks associated with the components when taken separately; and
- (ii) provide retail clients with an adequate description of the different components of the agreement and the way in which its interaction modifies the risks.

The above requirements do not apply in respect of professional clients.

### 2. Investor protection measures on the provision of Contracts for Differences (“CFDs”):

The European Securities and Markets Authority (“ESMA”) introduced product intervention measures on the provision of CFDs to retail investors. The measures include:

- (i) New leverage limits on the opening of a position, which vary according to the volatility of the underlying.
- (ii) A margin close out rule on a per account basis that standardises the percentage of margin at which providers are required to close out one or more open CFDs.
- (iii) Negative balance protection on a per account basis.
- (iv) A restriction on the incentives offered to trade CFDs.
- (v) A standardised risk warning, including the percentage of losses on a CFD provider’s retail investor accounts.

The above requirements do not apply in respect of professional clients.

### 3. Communication with clients:

A firm must ensure that its communications with all clients are fair, clear and not misleading. However, the way in which a firm may communicate with professional clients (about itself, its services and products, and its remuneration) may be different from the way in which the firm communicates with retail clients. A firm’s obligations in respect of the level of details, medium and timing of the provision of information are different depending on whether the client is a retail or professional client. The requirements to deliver certain product-specific documents, such as Key Investor Information Documents (“KIID”) for Packaged Retail and Insurance-based Investment Products (“PRIIPs”), are not applied to professional clients. You may, however, consult such document on our website.

### 4. Depreciations in value reporting:

A firm that holds a retail client account that includes positions in leveraged financial instruments or contingent liability transactions must inform the retail client, where the initial value of each instrument depreciates by 10 per cent and thereafter at multiples of 10 per cent.

The above requirements do not apply in respect of professional clients.

### 5. Appropriateness:

When assessing appropriateness for non-advised services, a firm will be required to determine whether the client has the necessary experience and knowledge in order to understand the risks involved in relation to the product or service offered or demanded.

Where such an appropriateness assessment requirement applies in respect of a client, the firm may assume that a professional client has the necessary experience and knowledge in order to understand the risks involved in relation to those particular investment services or transactions, or types of transaction or product, for which the client is classified as a

professional client. A firm may not make such an assumption for a retail client and must determine that a retail client does indeed have the necessary level of experience and knowledge.

IBLUX provides non-advised services and is not required to request information or adhere to the assessment procedures for a professional client when assessing the appropriateness of a given service or product as with a retail client, and IBLUX may not be required to give warnings to the professional client if it cannot determine appropriateness with respect to a given service or product.

## **6. Compensation**

IBLUX is a member of the *Système d'Indemnisation des Investisseurs Luxembourg* (Luxembourg Investor Compensation Scheme, "SIIL"). You may be entitled to claim compensation from that scheme if IBLUX cannot meet its obligations to you. This will depend on the type of business and the circumstances of the claim; compensation is only available for certain types of claimants and claims in respect of certain types of business. Eligibility for compensation from the scheme is determined under the rules applicable to the scheme.



## APPENDIX 2

### **Risk warnings and information on financial instruments**

This Document is intended to give you a general description of the nature and risk inherent to a range of financial instruments and services that may be available to you as client of ours, as well as more general risks associated with investment markets. You should note that this document cannot disclose all the risks and other significant aspects of those instruments, services or markets.

We would like to emphasise that where you classify as a retail client, you should pay particular attention to the present document considering the fact that your level of experience, knowledge and expertise is lower than that of a professional client or eligible counterparty. You should therefore read attentively and make sure you understand the below. There are risks involved in relation to any investment.

We have set an outline of some general risk warnings that are relevant to most asset classes and investment strategies and of which you should be aware:

- a) You should always remember that you may not get back the amount originally invested as the value of the investments, and the income from them can go down as well as up. There are no guaranteed returns. The price or value of an investment will depend on fluctuations in the financial markets that are outside our control;
- b) Past performance is not a guide to future performance;
- c) The value of an individual investment may fall as a result of a fall in markets depending, for example, on the level of supply and demand for a particular financial instrument, the investors or market perception, the prices of any underlying or related investments or other political and economic factors;
- d) With regard to investments designated to be held for the medium to long-term or with limited liquidity or with a fixed maturity date or with significant up-front costs, you should be aware that early redemption may result in lower than expected returns, including the potential for loss to the amount invested;
- e) Trading in off exchange investments, that is investments which are not traded under the rules of a regulated market or exchange or where there is no recognised market, and which are not settled through a regulated clearing house, exposes the investor to the additional risk that there is no certainty that the market makers will be prepared to deal in such investments and as a consequence there might be no secondary market for such investments. There may also be restrictions in relation to access and liquidity, for example, investments may only be made or redeemed on certain dates or with prescribed period of notice. You should be aware that it may be difficult to obtain reliable information about the current value of such investments or the extent of the risks to which they are exposed;
- f) You will be exposed to concentration risk where there is an insufficient level of diversification in your account and you are excessively exposed to one or a limited number of investments;
- g) Correlation risk refers to the probability that the actual correlation between two assets or variables will behave differently than what anticipated. The consequence is that your portfolio could be riskier than originally envisaged. Correlation is a term used to compare how one asset class might behave in comparison to another asset class. Assessing the correlation between different assets in your portfolio is important in managing the riskiness of the account;
- h) Volatility is a statistical measure of the tendency of an individual investment to feature significant fluctuations in value.

Commonly, the higher the volatility, the riskier the investment;

- i) Regulatory/Legal risk is the risk from regulatory or legal actions and changes which may reduce the profit potential of an investment or cause a loss on your investment. Legal changes could even have the effect that a previously acceptable investment becomes illegal or if affects the tax treatment of your investment may impact its profitability. Such risk is unpredictable and may depend on various political, economic and other factors;
- j) Operational risk, such as breakdowns or malfunctioning of essential systems and controls, including IT systems, can impact the ability of closing your investments or otherwise transact.

In addition to the above, there are three types of generic risks that you should review and understand before dealing in financial instruments. The Risk Types are generically referred to below as Market Risk, Liquidity Risk and Credit and Default Risk

### 1.1 Market Risks

#### Interest rate risk

Interest rate sensitivity means that prices change relative to current and future interests rate expectations. For example, if interest rates are expected to rise the price of a fixed rate bond may fall and consequently a sale of the bond at such time crystallise a loss. Conversely, a fall in interest rates may result in the increase in value of a fixed rate bond. Interest rate changes may also directly or indirectly impact the value of other financial instruments that do not provide for a return on a fixed rate basis.

#### Inflation Risk

The risk that the rate of price increases in the economy deteriorates the returns associated with an investment. The real value (the value adjusted for the impact of inflation) of an investment will fall as a result of the rate of inflation exceeding the rate of return of the investment. This risk has the greatest effect on fixed-rate inflation-linked bonds, which have a set interest rate from inception. For example, if an investor purchases a 4% fixed bond and the inflation rises to 8% a year, the bondholder will lose money on the investment because the

purchasing power of the proceeds has been greatly diminished.

#### Exchange Rates Risk

Exchange rate changes may cause the value of investments to rise or fall relative to the base currency, any movement in currency exchange rates may have a favourable or an unfavourable impact on the profit or loss of the investment.

#### Emerging Markets Risk

Emerging Markets generally have limited transparency, liquidity, efficiency and regulations compared to developed markets, the reaction of the local financial markets to news and other geo-political events may result in a more extreme variation in prices of emerging market instruments compared to developed markets.

### 1.2 Liquidity Risk

Liquidity risk is the inability to buy or sell an investment at the desired time, or to transact in an instrument at all. When a delay occurs, such delay may affect the price at which such asset can actually be bought or sold. Also, instruments that are illiquid or that trade in lower volumes may be more difficult to value or to obtain reliable information about their value.

Liquidity risk is linked to a variety of factors such as:

- the particular terms and conditions of an instrument;
- the fact that the instrument is not publicly traded or listed on an exchange;
- adversely perceived market developments;
- the fact that the ownership of an investment is highly concentrated in one or small number of investors;
- a reduced number of financial institutions operating as market maker in the relevant financial instruments. For example, in the case of securitised derivatives (such as structured products), the only market maker might be the issuer itself (or an affiliated entity), who might provide a limited undertaking to act as market maker;
- the fact that market participants may attempt to sell holdings at the same time as the investor, and there may be insufficient liquidity to accommodate these sales.

These factors may exist at the time of investment or may arise subsequently.

### 1.3 Credit and Default Risks

Counterparty or credit risk arises if a party connected to a transaction is unable to meet its obligations. In certain circumstances these risks may mean that you will not get back the sum invested, or the return anticipated from such transaction.

#### Insolvency Risk

Our insolvency or default, or that of other parties involved with your transaction, may result to positions being liquidated without your consent. In certain circumstances, you may not get back the actual assets which you posted as collateral and you may have to accept any available payments in cash.

#### Bail-in Risk

This is the risk that the financial instruments of certain issuers, including banking institutions, investment firms and certain banking group companies, may be subject to action taken by governmental, banking and/or other regulatory authorities, for example to address banking crises pre-emptively, whether or not the express terms of a financial instrument anticipate such action. The relevant authorities may have broad discretion on the action they may take, and their powers may be extended in response to particular events.

Examples of the action they may be able to take could include the following:

- the reduction, including to zero, of the principal of the bonds/debentures of such issuers;
- the conversion of such bonds/debentures into equities or other instruments of ownership (resulting in the dilution of ownership interests of existing shareholders);
- the variation of the terms, including with respect to maturity and/or the payment of interest, of such bonds/debentures; and shareholders being divested of their shares.

#### Financial Instruments and investments

Set out below is an outline of the risks associated with certain types of financial instruments.

### 1. Shares and other equity-like instruments

#### 1.1 Equities or shares

Equities or shares represent shareholder's rights and interests in a company. One share represents a fraction of a company's

share capital and a shareholder may benefit from an increase in the value of the share, although this is not guaranteed. Shareholders may also qualify for dividend payments, but these are paid only at the discretion of the company's management. A shareholder has no right to return of capital and the shares could become valueless in the event of insolvency of the company.

A shareholder's return from investing in the equity will depend to a large extent on the market price of the equities at the time of the sale. The market price of an equity is determined by a number of factors that affect the supply and demand for that equity, including, but not limited to:

- fundamentals about the company: such as profitability of the company and strength of the company's management;
- domestic and international factors: such as the exposure of the company to international events or market factors;
- sector specific factors: such as the economic cycle of a specific industry and changes in the prices of commodities or in consumers' demands.

Shares in smaller companies may carry an extra risk of losing money as there can be a big difference between the buying price and the selling price of these securities. If shares in smaller companies have to be sold immediately, you may get back much less than you paid for them. The price may change quickly, and it may go down as well as up.

Shares are generally a fairly volatile asset class – their value tends to fluctuate more than other financial instruments such as bonds. Holding shares is high risk – if you put your money into one company and that company becomes insolvent then you will probably lose most, if not all, of your money.

#### 1.2 Penny shares

There is an extra risk of losing money when shares are bought in some smaller companies or in companies of which the shares are traded at very low prices compared to their nominal value, such as "penny shares". There may be a (relatively) big difference between the buying price and the selling price of these shares. If they

have to be sold immediately, you may get back much less than you paid for them.

## 2. **Warrants**

A warrant is a time-limited right to subscribe for shares, debentures, loan stock or government securities, and is exercisable against the original issuer of the securities. A relatively small movement in the price of the underlying security results in a disproportionately large movement, unfavourable or favourable, in the price of the warrant. The prices of warrants can therefore be volatile. It is essential for anyone who is considering purchasing warrants to understand that the right to subscribe which a warrant confers is invariably limited in time with the consequence that if the investor fails to exercise his right within the predetermined time-scale then the investment becomes worthless. You should not buy a warrant unless you are prepared to sustain a total loss of the money you have invested plus any commission or other transaction charges. Some other instruments are also called warrants but are actually options (for example, a right to acquire securities which is exercisable against someone other than the original issuer of the securities, often called a "covered warrant").

## 3. **Money-market instruments**

Money-market instruments are collective investment schemes which invest money in cash or cash equivalents, such as short term loans to the government that pay a fixed rate of interest. The loan is for a period, generally no longer than six months, but occasionally up to one year, in which the lender takes a deposit from the money markets in order to lend (or advance) it to the borrower. Unlike in an overdraft, the borrower must specify the exact amount and the period for which he wishes to borrow.

## 4. **Fixed interest or bonds**

Fixed interest, bonds or debt securities are payment obligation of a party, usually referred to as the issuer. Bonds have a nominal value, which is the amount that, subject to Credit and Default Risk, will be return to the bondholder when the securities mature at the end of the investment period. The nominal value of a bond is distinct from its price or market value. Bonds can be bought or sold in the market (like shares) and their price can vary from day to day. A rise or fall in the market

price of a bond does not affect, subject to Credit and Default Risk, what you would get back if you hold the bond until it matures.

While the price of a bond is subject to market's fluctuations, when close to maturity the market price tends to reflect the bond's nominal value. The factors which are likely to have a major impact on the value of a bond are the perceived financial position of the issuer and changes to market interest rate expectations.

For some bonds there may be a restricted market and it may be more difficult to deal in them or obtain reliable information about their value (and it might be more difficult to establish a proper market in them for the purposes of making a subsequent sale).

The risk associated with investing in bonds include, but are not limited to:

- Interest Rate Risk;
- Inflation Risk;
- Credit and Default Risk.

If an issuer is in financial difficulty, there is an increased risk that they may default on their repayment obligations. In this event, little or no capital may be recovered, and any amounts repaid may take a significant amount of time to obtain.

## 5. **Commodities**

Commodity based investments, whether made by investing directly in physical commodities, for example gold, or by investing in companies whose business is substantially concerned with commodities or through commodity linked products, may be impacted by a variety of political, economic, environmental and seasonal factors. These relate to real world issues that impact either on demand or on the available supply of the commodity in question. Other factors that can materially affect the price of commodities include regulatory changes, and movement in interest rates and exchange rates. Their value can fall as well as rise, and in some cases an investment in commodity linked products might result in the delivery of the underlying.

## 6. **Mutual Funds**

A mutual fund is a scheme under which assets are held on a pooled basis on behalf of a number of investors. It may be structured in a number of ways, for

example, in the form of a company, partnership or trust. The level of risk of investing in a mutual fund depends on the underlying investments in which the scheme is invested and how well diversified it is. Investments may typically include bonds and exchange traded equities but depending on the type of scheme may include derivatives, real estates or riskier assets. There are risks relating to the assets held by the scheme and investors should check and understand the type of assets included in the pool and the scheme's investment strategy.

## 7. Exchange Traded Funds (ETFs) and Exchange Traded Products (ETPs)

ETFs and ETPs are investment funds and other securities that are traded like shares and which invest in a diversified pool of assets such as shares, bonds or commodities. In general, they track the performance of a benchmark or financial index and the value of the investment will fluctuate accordingly. Some ETFs and ETPs employ complex techniques or hold riskier assets to achieve their objectives, for more details please review carefully the "*Risk Disclosure For Trading Leveraged, Inverse And Volatility-Based Exchange Traded Products*".

## 8. Structured products

Structured products are the generic name for products which provide economic exposure to a wide range of underlying asset classes. The level of income and/or capital growth derived from a structured product is usually linked to the performance of the relevant underlying assets. Structured products are generally issued by financial institutions and therefore the products are subject to the credit risk of the issuer. If the issuer is unable to repay sums due under the terms of the product, this may affect the returns under the structured product and result in a total loss of the initial investment. Before you make a decision to invest in a structured product you should review the "*Risk Disclosure Statement for Trading Structured Products (including warrants) with Interactive Brokers*".

## 9. Derivatives, including futures, options and contracts for differences

### 9.1 Derivatives generally

Derivatives are financial instruments whose prices are derived from an underlying asset. Examples of derivatives include

futures, options and Contracts for Differences. Transactions in derivative instruments involve a higher risk than a direct investment in the underlying asset. As the derivatives' value is dependent on the future value of underlying assets, a movement in the value of the underlying assets may result in an amplified change in the value of the derivative.

### 9.2 Futures

Transactions in futures involve the obligation to make, or to take, delivery of the underlying asset of the contract at a future date, or in some cases to settle the position with cash. They carry a high degree of risk. The "gearing" or "leverage" often obtainable in futures trading means that a small deposit or down payment can lead to large losses as well as gains. It also means that a relatively small movement can lead to a proportionately much larger movement in the value of your investment, and this can work against you as well as for you. Futures transactions have a contingent liability, and you should be aware of the implications of this, in particular the margining requirements, which are set out in paragraph 10.6.

### 9.3 Options

There are many different types of options with different characteristics subject to the following condition. Buying options: Buying options involves less risk than selling options because, if the price of the underlying asset moves against you, you can simply allow the option to lapse. The maximum loss is limited to the premium, plus any commission or other transaction charges. However, if you buy a call option on a futures contract and you later exercise the option, you will acquire the futures. This will expose you to the risks described under "futures" and "contingent liability investment transactions."

Writing options: If you write an option, the risk involved is considerably greater than buying options. You may be liable for margin to maintain your position and a loss may be sustained well in excess of the premium received. By writing an option, you accept a legal obligation to purchase or sell the underlying asset if the option is exercised against you, however far the market price has moved away from the exercise price. If you already own the underlying asset which you have contracted to sell (when the options will be known as "covered call options") the risk is

reduced. If you do not own the underlying asset ("uncovered call options") the risk can be unlimited. Only experienced persons should contemplate writing uncovered options, and then only after securing full details of the applicable conditions and potential risk exposure.

Traditional options: Certain London Stock Exchange member firms under special exchange rules write a particular type of option called a "traditional option." These may involve greater risk than other options. Two-way prices are not usually quoted and there is no exchange market on which to close out an open position or to effect an equal and opposite transaction to reverse an open position. It may be difficult to assess its value or for the seller of such an option to manage his exposure to risk. Certain options markets operate on a margined basis, under which buyers do not pay the full premium on their option at the time they purchase it. In this situation you may subsequently be called upon to pay margin on the option up to the level of your premium. If you fail to do so as required, your position may be closed or liquidated in the same way as a futures position.

#### **9.4 Contracts for Differences**

Futures and options contracts can also be referred to as contracts for differences. These can be options and futures on an index, as well as currency and interest rate swaps. However, unlike other futures and options, these contracts can only be settled in cash. Investing in a contract for differences carries the same risks as investing in a future or an option and you should be aware of these as set out in paragraphs 9.2 and 9.3 respectively. Transactions in contracts for differences may also have a contingent liability and you should be aware of the implication of this as set out in paragraph 10.6.

### **10. Risks relevant to certain types of transactions and arrangements**

#### **10.1 Off-Exchange transactions**

Transactions that are conducted off-exchange ("OTC Transactions") may involve greater risk than dealing in exchange traded instruments because there is no exchange market through which to liquidate your position, or to assess the value of the instruments or the exposure to the risk.

OTC Transactions carry a higher settlement risk.

Settlement risk is the risk that the counterparty does not deliver the security (or equivalent assets) as required under the agreed terms. This results in one party to the transaction not receiving the securities or assets they are entitled to. This risk increases where it is not possible to exercise netting where the amounts delivered by each party will partially or completely cancel each other out.

Liquidity Risk as described above is higher in OTC Transactions. There is no exchange market through which to liquidate your position, or to assess the value of the OTC Transaction or the exposure to risk. Bid and offer prices need not be quoted, and even where they are, they will be established by dealers in these instruments and consequently it may be difficult to establish what is a fair price.

#### **10.2 Off-exchange transactions in derivatives**

It may not always be apparent whether or not a particular derivative is arranged on exchange or in an off-exchange derivative transaction. While some off-exchange markets are highly liquid, transactions in off-exchange or "non-transferable" derivatives may involve greater risk than investing in on-exchange derivatives because there is no exchange market on which to close out an open position. It may be impossible to liquidate an existing position, to assess the value of the position arising from an off-exchange transaction or to assess the exposure to risk. Bid prices and offer prices need not be quoted, and, even where they are, they will be established by dealers in these instruments and consequently it may be difficult to establish what is a fair price.

#### **10.3 Foreign markets**

Foreign markets will involve different risks from the EU markets. In some cases, the risks will be greater. The potential for profit or loss from transactions on foreign markets or in foreign denominated contracts will be affected by fluctuations in foreign exchange rates.

#### **10.4 Commissions**

Before you begin to trade, you should obtain details of all commissions and other charges for which you will be liable. If any

charges are not expressed in money terms (but, for example, as a percentage of contract value), you should obtain a clear and written explanation, including appropriate examples, to establish what such charges are likely to mean in specific money terms. In the case of futures, when commission is charged as a percentage, it will normally be as a percentage of the total contract value, and not simply as a percentage of your initial payment.

#### **10.5 Collateral**

If you deposit collateral as security with us, the way in which it will be treated will vary according to the type of transaction and where it is traded. There could be significant differences in the treatment of your collateral, depending on whether you are trading on a recognised or designated investment exchange, with the rules of that exchange (and the associated clearing house) applying or trading off-exchange. Deposited collateral may lose its identity as your property once dealings on your behalf are undertaken. Even if your dealings should ultimately prove profitable, you may not get back the same assets which you deposited and may have to accept payment in cash.

#### **10.6 Contingent liability investment transactions.**

Contingent liability investment transactions, which are margined, require you to make a series of payments against the purchase price, instead of paying the whole purchase price immediately. If you trade in futures contracts for differences or sell options, you may sustain a total loss of the margin you deposit with us to establish or maintain a position. If the market moves against you, you may be called upon to pay substantial additional margin at short notice to maintain the position. If you fail to do so within the time required, your position may be liquidated at a loss and you will be responsible for the resulting deficit. Even if a transaction is not margined, it may still carry an obligation to make further payments in certain circumstances over and above any amount paid when you entered the contract.

#### **10.7 Gearing or leverage**

Gearing or leverage is a strategy, with a view to enhancing the return from, or the value of, an investment involving the following:

- a) borrowing money;

- b) investing in one or more instruments, such as warrants or derivatives, for which a relatively small movement in the value or price of the underlying rights or assets results in a larger movement in the value or price of the instrument;
- c) structuring the rights of holders of an investment so that a relatively small movement in the price or value of the underlying rights or assets, results in a larger movement in the price or value of the investment; and
- d) you may lose more than you had initially invested.

You should be aware that the strategy used or proposed for the gearing may result in:

- a) movements in the price of the investment being more volatile than the movements in the price of underlying rights or assets;
- b) the investment being subject to sudden and large falls in value; and
- c) you are getting back nothing at all if there is a sufficiently large fall in value in the investment.

#### **10.8 Suspensions of trading**

Under certain trading conditions it may be difficult or impossible to liquidate a position. This may occur, for example, at times of rapid price movement if the price rises or falls in one trading session to such an extent that under the rule of the relevant exchange trading is suspended or restricted. Placing a stop-loss order will not necessarily limit your losses to the intended amounts, because market conditions may make it impossible to execute such an order at the stipulated price.

#### **10.9 Clearing house protections**

On many exchanges, the performance of a transaction by us (or third party with whom we are dealing on your behalf) is "guaranteed" by the exchange or clearing house. However, this guarantee is unlikely in most circumstances to cover you, the customer, and may not protect you if us or another party defaults on its obligations to you. On request, we will explain any protection provided to you under the clearing guarantee applicable to any on-exchange derivatives in which you are dealing. There is no clearing house for traditional options, nor normally for off-exchange instruments which are not traded under the rules of a recognized or designated investment exchange.





## APPENDIX 3

### CLIENT CONSENT TO ACCEPT ELECTRONIC RECORDS AND COMMUNICATIONS

In the interests of timeliness, efficiency and lower costs for its Clients, Interactive Brokers Luxembourg SARL ("IBLUX") and its affiliated companies including, but not limited to, Interactive Brokers LLC ("IB LLC") (collectively, "Affiliates") provide electronic notices, messages, trade confirmations, account statements, proxy materials, key information documents ("KIDs") under the Packaged Retail and Insurance-based Investment Products Regulation ("PRIIPs") records and other Client records and communications (collectively, "Records and Communications") in electronic form to the maximum extent permitted by applicable law. Electronic Records and Communications may be sent to Client's Trader Workstation ("Client TWS") or to Client's e-mail address or for security purposes may be posted on the IBLUX website or on the secure website of one of IBLUX's service providers and Client will need to login and retrieve the Records and Communications.

By entering into this Agreement, Client consents to the receipt of electronic Records and Communications regarding this Agreement, any other agreement between Customer and IBLUX or its Affiliates, all Client Transactions under such agreements, all of

Client's accounts and all of Client's dealings with IBLUX or its Affiliates, including Records and Communications of any kind. Client may withdraw such consent at any time by an e-mail addressed to the IB Customer Service Department at [help@interactivebrokers.com](mailto:help@interactivebrokers.com). If you withdraw this consent, IBLUX will provide you with required Records and Communications, including proxy materials, in paper form. If Client withdraws such consent, however, IBLUX reserves the right to require Client to close Client's account.

In order to trade using the IB TWS, and to receive Records and Communications through the Client TWS, there are certain system hardware and software requirements, which are described on the IBLUX website at [www.interactivebrokers.eu](http://www.interactivebrokers.eu). Since these requirements may change, Client must periodically refer to the IBLUX website for current system requirements. To receive electronic mail from IBLUX, Client is responsible for maintaining a valid Internet e-mail address and software allowing customer to read, send and receive e-mail. Client must notify IBLUX immediately of a change in Client's e-mail address by: (i) using those procedures to change a Client e-mail address that may be available on the IBLUX website or (ii) contacting the IB Customer Service Department at [help@interactivebrokers.com](mailto:help@interactivebrokers.com) for further instructions.

## APPENDIX 4

- **INTERACTIVE BROKERS GROUP PRIVACY POLICY**
- At Interactive Brokers, we understand that confidentiality and security of the personal information ("Personal Information") that you share with us is important. The Interactive Brokers Group affiliates (collectively, "IBKR"), are committed to protecting the privacy of Personal Information, including Personal Information related to individuals who may be clients, employees, agents, job applicants or others inside or outside of IBKR. That is why we have developed specific policies and practices designed to protect the privacy of your Personal Information. By opening an account at IBKR or by utilizing the products, services and applications available through IBKR, you have consented to the collection and use of your Personal Information in accordance with this privacy policy ("Privacy Policy" or "Policy"). We encourage you to read this Privacy Policy carefully.
- This Policy is based on the privacy and data protection principles common to the countries in which we operate. This Policy is intended to summarize IBKR's data protection practices generally and to advise our clients, prospective clients, job applicants, website visitors and other third parties about IBKR's privacy policies that may be applicable to them.
- This Policy is specifically addressed to those who provide Personal Information to IBKR or who visit or use IBKR's websites, trading platforms, software application and social media sites.
- **Who is responsible for your Personal Information?**
- IBKR is responsible for the Personal Information that we may collect in the manner discussed below. IBKR includes: Interactive Brokers LLC, One Pickwick Plaza, Greenwich, CT 06830 United States; Interactive Brokers Luxembourg SARL incorporated and registered in Luxembourg with company number B229091 whose registered office is at 4, Rue Robert Stumper, L-2557 Luxembourg; Interactive Brokers (U.K.) Limited, (03958476) a Private Limited Company with registered office address, Level 20 Heron Tower, 110 Bishopsgate, London EC2N 4AY; and their respective affiliates (the "IBKR Entities"). Specifically, your Personal Information will be controlled by the IBKR Entity that is providing services or communication to you. In some instances your Personal Information will be controlled by more than one IBKR Entity.
- **How do we collect your Personal Information and what Personal Information do we collect?**
- IBKR collects and processes Personal Information from you. This may include, among other things, information:
  - provided during the IBKR account application process or during use of any of IBKR's website applications (for example, your name, email address, telephone number, birth date, tax ID number, investment objectives, etc.);
  - acquired as a result of the transactions you conduct through the IBKR systems or in connection with services offered by IBKR (for example, if you participate in IBKR's debit card program);
  - received from consumer-reporting agencies;
  - collected through Internet cookies (for further information on our use of cookies, please see our Cookie Policy).
- **For what purposes will we use your Personal Information?**
- We may use your Personal Information for the following purposes ("Permitted Purposes"):
  - To provide services to you in accordance with any agreement(s) you or your organisation may have with us, for our own administrative, record-keeping and compliance procedures;
  - To provide you or your organisation with brokerage and other services available on our platforms, and/or to deal with any requests or inquiries you may have;
  - To pursue legitimate interests, including to carry out, monitor and analyze our business or operations including the activities set out in this Privacy Policy;
  - to enforce or apply any agreement and/or to protect our (or others') property or rights and to defend any potential claim;
  - To conduct our recruiting processes;
  - to respond to requests for information from you and to follow up with you afterwards to see if we can provide any further assistance;
  - To contact you (unless you tell us that you prefer us not to) regarding features and functionality that may be of interest to you;

- To enter into or carry out contracts of various kinds;
- To conduct monitoring by us or any other person on our behalf using various methods, including: (i) the use of "intelligent" automated monitoring tools; or (ii) through random monitoring of systems, for example systematically via electronic communication recording tools; (iii) specific monitoring of systems for example in relation to investigations, regulatory requests, subject access requests, litigation, arbitration or mediation or; (iv) data tracking, aggregation and analysis tools that pull data from various disparate data sources to draw linkages and/or detect behavioral patterns, interactions or preferences for analysis (including predictive analysis); and/or (v) using other similar monitoring technology that may become available from time to time;
- for statistical purposes and for market research and product analysis and to develop and improve our products and services;
- for the purposes of preventing and detecting money-laundering, terrorism, fraud or other crimes and/or abuses of our services;
- to comply with any legal, regulatory or good practice requirement wherever originating from (including but not limited to, the United States), and to fulfil our obligations under any reporting agreement entered into with any tax authority or revenue service(s) from time to time; and
- To comply with applicable laws in any country;
- We may also process your Personal Information for the following purposes (after obtaining your express consent where such consent is legally required) in accordance with your preferences:
- To communicate with you through the channels you have approved to keep you up to date on the latest developments, announcements and other information about IBKR services, products and technologies;
- To conduct customer surveys, marketing campaigns, market analysis, or promotional activities;
- To collect information about your preferences to create a user profile to personalize and foster the quality of our communication and interaction with you (for example, by way of newsletter tracking or website analytics).
- Where legally required, with regard to marketing-related communication, we will only provide you with such information after you have opted in or had an opportunity to object and we will also provide you with the opportunity to opt out at any time if you do not wish to receive further marketing-related communication from us. We like to keep our clients, personnel and other interested parties informed of company developments, including news relating to IBKR that we believe is of interest to them. If you do not wish to receive publications or details of events or seminars that we consider may be of interest to you, please let us know by following this link: <https://www.interactivebrokers.com/en/index.php?f=464>. Where legally required, we will not use your Personal Information for taking any automated decisions affecting you or creating profiles other than described above.
- Depending on which of the above Permitted Purposes we use your Personal Information for, we may process your Personal Information on one or more of the following legal grounds:
- Because processing is necessary for the performance of your instruction or other contract with you or to take steps prior to entering into any such contract
- To comply with our legal obligations (for example, to keep pension records or records for tax purposes);
- Because processing is necessary for the purposes of our legitimate interest or those of any third party recipients that receive your Personal Information, provided that such interests are not overridden by your interests or fundamental rights and freedoms.
- In addition, the processing may be based on your consent where we have expressly sought and you have expressly given that to us (for example in the context of sending you direct marketing where consent is required).
- **Who we share your Personal Information with, and in what circumstances**
- We may share your Personal Information in the following circumstances:
- We may share your Personal Information between the IBKR Entities on a confidential basis as allowed by applicable law or where required for the purpose of providing products or services and for administrative, billing and other business purposes. A list of the countries in which IBKR Entities are located can be found on our website;
- We may instruct service providers within or outside of IBKR, domestically or abroad, to process Personal Information for the Permitted Purposes on our behalf and in accordance

with our instructions. For example, if you choose to subscribe to any services provided by a third-party provider listed on an Interactive Brokers Investors' Marketplace, we may disclose such information to the service providers as necessary for them to provide the services that you have requested. IBKR generally requires these service providers to enter into confidentiality agreements with IBKR that limit their use of the information that they receive. Such agreements prohibit the service provider from using IBKR client information that they receive other than to carry out the purposes for which the information was disclosed. If required by law, IBKR will retain control over and will remain responsible for your Personal Information and will use appropriate safeguards to ensure the integrity and security of your Personal Information when engaging service providers;

- We may share your Personal Information with companies providing services in the areas of fraud and crime prevention and with companies providing similar services, including financial institutions such as credit reference agencies and regulatory bodies;
- We may disclose information about you to any depository, stock exchange, clearing or settlement system, account controller or other participant in the relevant system, to counterparties, dealers, custodians, intermediaries and others where disclosure is reasonably intended for the purpose of effecting, managing or reporting transactions in connection with the provision of our services or establishing a relationship with a view to such transactions;
- We may share your data with third parties to assist us with the conduct of our recruitment processes;
- Consistent with applicable law, we may share your Personal Information with courts, law enforcement authorities, regulators or attorneys or other parties for the establishment, exercise or defence of a legal or equitable claim or for the purposes of a confidential alternative dispute resolution process;
- We may also use aggregated Personal Information and statistics for the purpose of monitoring website usage in order to help us develop our website and our services.
- Otherwise, we will only disclose your Personal Information when you direct us or give us permission to do so, when we are allowed or required by applicable law or judicial or official request to do so, or as required to investigate actual or suspected fraudulent or criminal activities.
- **Personal Information about other people that you provide to us**
- If you provide Personal Information to us about someone else (such as one of your directors or employees or someone with whom you have business dealings), you must ensure that you are entitled to disclose that Personal Information to us for processing as described in this Privacy Policy.
- **Keeping Personal Information about you secure**
- To the extent required by law, we will take appropriate technical and organizational measures to keep your Personal Information confidential and secure in accordance with our internal procedures covering the storage, disclosure of and access to Personal Information. Personal Information may be kept on our Information Technology systems, those of our contractors or in paper files.
- **Transferring your Personal Information outside the European Economic Area ("EEA") (if GDPR applies)**
- For Personal Information subject to the General Data Protection Regulation (EU) 2016/679 ("GDPR") we may transfer your Personal Information outside the EEA for the Permitted Purposes as described above. This may include countries that do not provide the same level of protection as the laws of your home country (for example, the laws within the EEA or the United States). We will ensure that any such international transfers are made subject to appropriate or suitable safeguards if required by the GDPR or other relevant laws. You may contact us at any time using the contact details below if you would like further information on such safeguards.
- With respect to persons covered by GDPR, in case Personal Information is transferred to countries or territories outside of the EEA that are not recognized by the European Commission as offering an adequate level of data protection, we have put in place appropriate data transfer mechanisms to ensure Personal Information is protected.
- **Updating your Personal Information**
- If any of the Personal Information that you have provided to us changes, for example if you change your email address or if you wish to cancel any request that you have made of us, please let us know by contacting IBKR Client Service through the IBKR website at

interactivebrokers.com/help. We will not be responsible for any losses arising from any inaccurate, inauthentic, deficient or incomplete Personal Information that you provide to us.

- **How long do we retain your Personal Information?**

- We retain your Personal Information in an identifiable form in accordance with our internal policies which establish general standards and procedures regarding the retention, handling and disposition of your Personal Information. Personal Information is retained for as long as necessary to meet legal, regulatory and business requirements. Retention periods may be extended if we are required to preserve your Personal Information in connection with litigation, investigations and proceedings.

- **Further rights for persons or information covered by GDPR**

- With respect to EEA residents and where your Personal Information is processed by an IBKR Entity established in the EEA ("Covered Individuals"), you have a number of legal rights under GDPR in relation to the Personal Information that we hold about you. These rights include:
  - Obtaining information regarding the processing of your personal information and access to the personal information that we hold about you. Please note that there may be circumstances in which we are entitled to refuse requests for access to copies of personal information, (in particular, information that is subject to legal professional privilege);
  - Requesting that we correct your personal information if it is inaccurate or incomplete;
  - Requesting that we erase your personal information in certain circumstances. Please note that there may be circumstances where you ask us to erase your personal information but we are legally entitled to retain it;
  - Objecting to, and requesting that we restrict, our processing of your personal information in certain circumstances. Again, there may be circumstances where you object to, or ask us to restrict, our processing of your personal information but we are legally entitled to refuse that request;
  - Withdrawing your consent, although in certain circumstances it may be lawful for us to continue processing without your consent if we have another legitimate reason (other than consent) for doing so.
- We have designated a Data Protection Officer ("DPO") to enhance and promote compliance with and understanding of privacy and data protection principles. If you wish to do any of the above please send an email to [dpo@interactivebrokers.com](mailto:dpo@interactivebrokers.com).
- We may request that you prove your identity by providing us with a copy of a valid means of identification in order for us to comply with our security obligations and to prevent unauthorized disclosure of data. We reserve the right to charge you a reasonable administrative fee for any manifestly unfounded or excessive requests concerning your access to your data and for any additional copies of the Personal Information you request from us.
- We will consider any requests or complaints that we receive and provide you with a response in a timely manner. If you are not satisfied with our response, you may take your complaint to the relevant privacy regulator. We will provide you with details of your relevant regulator upon request.
- **Updates to this Privacy Policy**
- This Privacy Policy was last updated on 7 October 2020. We reserve the right to update and change this Privacy Policy from time to time, for example, in order to reflect any changes to the way in which we process your Personal Information or changing legal requirements. In case of any such changes, we will post the changed Privacy Policy on our website or publish it otherwise. The changes will take effect as soon as they are posted on our website.
- **How to contact us**
- We welcome your views about our website and our Privacy Policy. If you have any questions about this Policy, please contact the Data Protection Office at [dpo@interactivebrokers.com](mailto:dpo@interactivebrokers.com) or please contact IB Client Service through the IB website at [interactivebrokers.com/help](https://interactivebrokers.com/help).