# Interactive Brokers (U.K.) Limited Client Agreement for Carried Products

These terms are effective on and from 2 November 2026

## About these Terms

The Interactive Brokers (U.K.) Limited Client Agreement for Carried Products sets out the rights and obligations you and we each have regarding the services we provide to you under this Agreement ("**Services**"). **If you need help understanding any part of this document, please contact us (link: Contact Us).**



### Important documents

The following documents (collectively, the "**Agreement**") apply to your legal relationship with us:

- Interactive Brokers (U.K.) Limited Client Agreement for Carried Products ("**Terms**");
- your account application together with any other information or documents required to open and operate your account in accordance with the Agreement ("**Account Application**");
- Express Consent Form and any other express consent you give to us from time to time; and
- any documents we refer to in these Terms. This includes:
  - General Risk Disclosure for Covered Products;
  - Costs and Charges Summary;
  - Order Execution Policy;
  - Summary of Conflicts of Interest Policy; and
  - Privacy Policy.



### Our legal relationship

**About us**

Interactive Brokers (U.K.) Limited ("**IBUK**") is authorised and regulated by the Financial Conduct Authority (firm reference number 208159). IBUK's registered office address is Floor 12, 20 Fenchurch Street, London EC3M 3BY.

**The products and services we provide**

IBUK is part of the Interactive Brokers group of companies ("**IBKR Group**"). The IBKR Group provides electronic brokerage services, giving clients access to global markets, offering high-speed execution, and charging low fees.

The account(s) you open under these Terms allow you to trade certain products, subject to eligibility, including:

- non-US index options;
- non-US index futures;
- certain over-the-counter ("**OTC**") products, such as:
    - contracts for difference ("**CFDs**") (e.g., share and foreign currency CFDs);
    - spot currencies ("**FX Spot**"); and
    - precious metals derivatives (e.g., unallocated gold and silver).

These are collectively referred to as "**Covered Products**".

We may use our Affiliates or non-affiliated third parties to carry out our obligations under this Agreement. We will remain responsible to you where we have contracted with another party to provide the Services under this Agreement.

**What is not covered under this Agreement**

This Agreement does not apply to trading in stocks, bonds, mutual funds, or other products held with our Affiliate, Interactive Brokers LLC ("**IBLLC**"). To trade these products, you will need a different account type, subject to a separate agreement. If a service is provided by another company in the IBKR Group, we will make clear who you are contracting with. Before using any new service, you will need to review and accept the relevant terms. For details on available account types, please refer to the IBUK Website (link: IBUK Services Guide).

If there is a conflict between this Agreement and any other agreement you have with Interactive Brokers, the terms of this Agreement will apply to Covered Products.

**If you have any questions about the Agreement or the Services we provide, see How to contact us.**

**Capitalised words are defined terms**

Capitalised words or acronyms like "Services", "CFDs", and "Trading Platform" are defined terms. These defined terms are often put in quotation marks and explained on first use. Definitions of these terms are also listed in Schedule 3.

## Finding your way around these Terms

These Terms are divided into nine primary sections from **Part A to Part I**. **Schedules 1** to **2** apply to clients trading specific products. Additionally, **Schedules 3 to 5** are included to support your navigation and understanding of these Terms.

**Which Part applies to you?**

| **Part** | **Does it apply to you?** |
|---|---|
| Parts A to F, H and I | Yes |
| Part G - Foreign currency exchange | Part G applies only if your account includes the relevant features.<br><br>If you are unsure whether this Part applies to you, please contact us (link: Contact Us). |
| Schedules 1 and 2 apply to clients trading specific products: | Schedules 1 and 2 apply only if your account includes the relevant product types. These Schedules will form part of your Agreement only if they are relevant to you.<br><br>If you are unsure whether these Schedules apply to you, please contact us (link: Contact Us). |
| • Contracts for difference | |
| • OTC precious metals | |
| Schedules 3 to 5 | Yes |

**What does each Part cover?**

| **Parts** | **What does this Part cover?** |
|---|---|
| **PART A - GETTING STARTED** | Part A explains how to get started with using our Services, including:<br>• the type and form of Services we provide;<br>• the risks of using our Services;<br>• how to open an account with us;<br>• keeping your information up to date;<br>• keeping your account secure; |

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| | • costs and charges; and<br>• how to cancel this Agreement. |
| **PART B - TRADING WITH US** | Part B explains how orders and transactions work on our Trading Platforms, including:<br>• how to fund and make withdrawals from your account;<br>• how to place orders;<br>• cancelling or modifying orders;<br>• our obligation to provide best execution;<br>• how IBUK trades with you;<br>• account statements and confirmations; and<br>• when we may suspend or withdraw our Services. |
| **PART C - HOW WE HANDLE AND PROTECT YOUR ASSETS** | Part C explains:<br>• how we protect your client money under this Agreement;<br>• when your money stops being treated as client money; and<br>• the rights we have over your assets. |
| **PART D - MARGIN TRADING** | Part D explains terms applicable to clients with margin-enabled accounts. |
| **PART E - PORTFOLIO RISK MANAGEMENT** | Part E covers margin requirements, including the risk of liquidation if not met, and exposure fees for high-risk trades. |
| **PART F - CONNECTED ACCOUNTS** | Part F explains how your accounts under this Agreement and your accounts held with Interactive Brokers LLC interact to manage cash and margin requirements. |
| **PART G - FOREIGN CURRENCY EXCHANGE** | Part G explains the terms and conditions that apply when you use our multi-currency account feature. |
| **PART H - ACCOUNT RESTRICTIONS, DEFAULT EVENTS AND OUR RIGHTS OF ACTION** | Part H explains:<br>• what restrictions we may apply to your account and when;<br>• what constitutes an Event of Default;<br>• our right to deduct (set-off) your money;<br>• provisions relating to cross-collateral agreement and automatic transfer authorisation (applicable if you have accounts with both IBUK and IBLLC); and |

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| | • our right to liquidate your assets in certain circumstances. |
| **PART I - GENERAL PROVISIONS** | Part I explains:<br>• the limitations of our liability to you;<br>• when we can make changes to these Terms;<br>• when you or we can terminate the Agreement;<br>• how you may use our software;<br>• how we protect your personal information; and<br>• the laws that apply to the Agreement. |
| **SCHEDULE 1 - TRADING CONTRACTS FOR DIFFERENCE (CFDS)** | Schedule 1 contains important terms applicable to clients permitted to trade CFDs. |
| **SCHEDULE 2 - TRADING OTC PRECIOUS METALS** | Schedule 2 contains important terms applicable to clients permitted to trade OTC precious metals. |
| **SCHEDULE 3 - DEFINITIONS** | Schedule 3 provides definitions for all defined terms used in this Agreement. |
| **SCHEDULE 4 - WEBSITE LINKS** | Schedule 4 includes all of the IBUK Website links referred to in this Agreement in one place for ease of access. |
| **SCHEDULE 5 - RETAIL CLIENT PROTECTIONS** | Schedule 5 outlines key protections Retail Clients are entitled to and may lose if treated as a Professional Client. |

**Key Terms**

Some of the most important rights and obligations in these Terms include:

- You must ensure that your email address on file is current so we can send you important information and documents (**Sections A2.2, A10.3**).
- The Electronic Services and the IBKR System may experience interruptions or delays. If constant service is essential to you, you should put alternative trading arrangements in place to reduce the risk of loss (**Section A5.4**).
- You are responsible for ensuring that all the information you provide to us is complete, accurate and up to date (**Section A6.1**).
- You are responsible for protecting the security and confidentiality of your usernames, passwords, and security devices. Please Contact Us if you believe someone else can

access your account. If you do not tell us, you may be liable for trades entered into by third parties using your credentials (**Section A9**).

- We may refuse to accept, execute or cancel any order or instruction (**Section B2.2**).
- Once you submit an order or instruction to us, it may not be possible to cancel or modify it. Any order or instruction not successfully cancelled or changed will be binding on you (**Section B2.3**).
- IBUK typically acts as an agent for trades executed on an exchange. For OTC transactions, IBUK generally acts as a principal or riskless principal (unless otherwise stated) (**Section B2.5**).
- If we confirm a trade is executed but it is later cancelled by an exchange, trading network, or regulatory authority, then the confirmed trade will also be cancelled (**Section B4.4**).
- We take account security seriously. We may need to restrict your account in certain circumstances, such as to comply with Applicable Law or where we believe your account may be compromised (**Section H1.1**).
- If you have accounts with both IBUK and IBLLC, you agree that funds or assets in one account may be used to cover obligations in the other account, to the extent permitted by Applicable Law. This is a condition of holding accounts with both entities (**Section H4**).
- We are not responsible for ensuring orders are executed at limit prices if the order's transmission is delayed or is otherwise affected by a data communication failure or by market conditions (**Section I1**).
- We can terminate the Agreement immediately if we have serious grounds or valid reasons for doing so. For example, when there is an Event of Default or to comply with Applicable Law. We can also end the Agreement on thirty (30) days' notice (**Section I5.1**).
- Subject to certain restrictions, you can end the Agreement with us at any time (**Section I5.2**).
- You agree not to trade in a way that breaches the law or causes us to break the law. You must not carry out any trading activity on the basis of inside information or carry out any trades in order to create a distorted market or misleading impression in relation to the price of the financial instruments (**Section I15.2**).



## Key information summary

### Your client category

In the UK, the FCA applies different rules to protect investors according to their categorisation as either "retail" or "professional" clients. We will send you a notice explaining the categorisation

that we have assigned to you. If we have classified you as a "**Retail Client**", you will receive the highest level of protection under the FCA's Rules.

You may request a change in your categorisation from a Retail Client to an elective professional client. If we agree, you will receive a lower level of client protection. This could mean less frequent communication from us and changes in how we provide information. Additionally, we would not be required to ensure that you understand the risks of the transactions you enter into.

We explain the differences in treatment for Retail Clients and other client types in Schedule 5. For more information about how we classify clients and how to change your categorisation, please refer to the notice we have provided separately.

**We do not give advice**

Our Services are provided on an execution-only basis. This means we are not responsible for any investment decisions you make concerning your account.

We do not provide advice, including investment, financial, legal, tax, or regulatory advice. Our employees' statements or statements made on the IBUK Website are not advice.

Any product information, like past performance or other features (including charts) provided to you, must not be treated as advice indicating that it is suitable for you, nor as advice that is based on a consideration of your personal circumstances.

**What are the risks of investing?**

There are risks involved in any investment. The level of risk depends on the complexity and type of the investment. There are general risks that can apply to all investments as well as risks that will be related to the specific types of financial instruments you invest in.

Trading OTC products like CFDs, Forex and precious metals is highly risky. These markets are speculative, volatile, and use leverage (which means that both profits and losses can be magnified). **You may lose more funds than you invested in your account.**

More information about the risks associated with trading Covered Products is set out in our risk disclosure (link: General Risk Disclosure for Covered Products).

**Costs and charges**

Section A8 of these Terms explains the costs and charges (including those from third parties) that apply to our Services. Details of our costs and charges are also set out on the "Pricing" section of the IBUK Website.



## How to contact us

You can contact us in the following ways:

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| **Secure message ("Web Ticket")** | • Through the "Message Center", our web interface that is accessible to clients from the IBUK Website; or<br>• via the IBUK Website at www.ibkr.co.uk/support |
| **Post** | Interactive Brokers, Floor 12, 20 Fenchurch Street, London EC3M 3BY |
| **Telephone** | Contact us by telephone using the numbers listed on the IBUK Website (link: Call Us) |



## How to complain

Please let us know if you have a complaint or think we have made a mistake. We take all complaints seriously and will act, if necessary, to correct them as soon as possible.

The best way to register your complaint is by logging into Client Portal and submitting a Web Ticket to us via the Message Center.

You can also:

- send a letter to us at Complaints Handling, Interactive Brokers, Floor 12, 20 Fenchurch Street, London EC3M 3BY;
- email us at ibukcomplaints@interactivebrokers.co.uk; or
- call IBUK Customer Services using the telephone numbers provided on our website (link: Call Us). However, we may ask you to provide some details in writing so we can fully investigate your complaint. If you are unable to do this due to accessibility needs or other reasons, please let us know. We will help you find another way to proceed.

A summary of IBUK's Complaints Handling Policies and Procedures is available on our website (link: Complaints Policy Summary). If you would like more information, please get in touch with us using the details above.

If you are not satisfied with how we handle or respond to your complaint, you may be able to complain to the Financial Ombudsman Service ("**FOS**"). The FOS is a free and independent service that resolves disputes between consumers and financial services firms. More information is available at:

- **website**: https://www.financial-ombudsman.org.uk/consumer/complaints;

- **telephone**: 0800 023 4567; or
- **email**: complaint.info@financial-ombudsman.org.uk.

### Protecting your money

IBUK will treat money received from you or held by it on your behalf as "client money" in accordance with the FCA's client money and asset rules. IBUK and any third party which IBUK authorises to hold your money will handle your money in accordance with these rules and in segregated accounts, alongside the money of our other clients.

Please refer to Part C for details on client money protection.

**Financial Services Compensation Scheme**

IBUK is a participant in the UK Financial Services Compensation Scheme ("**FSCS**"). You may be entitled to compensation from the scheme in the unlikely event we cannot meet our liabilities. This depends on the type of business and the circumstances of the claim.

At the date of this Agreement, the maximum payment under the FSCS in respect of designated investments is currently 100% of a claim up to a maximum of £85,000. Further information about the FSCS, the amount and scope of cover and how to make a claim is available at www.fscs.org.uk.

# PART A - GETTING STARTED

## A1. About this Agreement

A1.1 These Terms, your Account Application, the Express Consent Form together with any other express consents you give from time to time, and any documents we refer to, including: the General Risk Disclosure for Covered Products, Costs and Charges Summary; Order Execution Policy; Summary of Conflicts of Interest Policy; and the Privacy Policy, form the agreement between you and Interactive Brokers (U.K.) Limited ("**IBUK**", "**we**", "**our**", and "**us**"). We refer to all these documents as the "**Agreement**".

A1.2 If there is a conflict between this Agreement and other materials (e.g. on the IBUK Website), this Agreement takes priority unless the other materials clearly state they override it.

## A2. Our services

### A2.1 Brokerage services for Covered Products

A2.1.1 Under these Terms, clients are permitted to trade various products including certain:

i. non-US index options;

ii. non-US index futures; and

iii. certain over-the-counter ("**OTC**") products, such as:

- contracts for difference ("**CFDs**") (e.g., share and foreign currency CFDs);
- spot currencies ("**FX Spot**"); and
- precious metals derivatives (e.g., unallocated gold and silver).

(collectively "**Covered Products**").

A2.1.2 Terms applicable to specific types of Covered Products are included in the Schedules:

- Schedule 1: Trading CFDs; and
- Schedule 2: Trading OTC precious metals.

A2.1.3 If there is any conflict between the body of this Agreement and the terms in the Schedules, the terms in the Schedules will override with respect to the specific product terms.

A2.1.4 Our brokerage services are intended for investment or trading purposes only. You confirm that you only use your account for these purposes, and not for commercial activities. Both commercial use and currency conversion (which is unrelated to any trading of instruments in your account) are prohibited. If an account is primarily or repeatedly used for either of these purposes, we may restrict or close it (see Sections H1.1 and H2).

### A2.2 Electronic Services

A2.2.1 We use automated computer systems to help provide our Services ("**IBKR System**"). The IBKR System receives and handles orders; processes order confirmations; completes or cancels orders; clears and settles transactions; manages accounts; stores account information; and performs other functions necessary to support your account and trading activity.

A2.2.2 To use our Services, we provide you with access to our digital "**Trading Platforms**", including but not limited to:

- Client Portal;
- IBKR Desktop;
- IBKR GlobalTrader;
- IBKR Mobile; and
- IBKR Trader Workstation.

A2.2.3 We also provide you access to certain electronic trading services (including connectivity services), Trading Platforms and information systems or networks subject to the terms of the Agreement ("**Electronic Services**"). These Electronic Services allow you to interact with the IBKR System.

A2.2.4 To use the Electronic Services, you may need specific hardware and software. These requirements are on the IBUK Website (Link: System Requirements). You should check the IBUK Website regularly for updates.

A2.2.5 To receive emails from us, you must maintain a valid email address.

A2.2.6 We may monitor your use of the Electronic Services for the purposes of ensuring orderly trading and compliance with Applicable Law, including the Market Abuse (Amendment) (EU Exit) Regulations 2019 (SI 2019/310) ("**UK MAR**").

## A3. Execution-only service - No advice

A3.1 We provide our Services on an execution-only basis. This means we do not provide advice on investment; trading; financial; legal; tax; regulatory; or other matters. You are responsible for all of your decisions related to the Services, including the account you choose to open and the investments you choose to make.

A3.2 We may share general product information, like past performance, but we will not offer personal recommendations. We do not consider any discussion of available options as advice.

A3.3 You should not interpret anything on the IBUK Website as a recommendation, an offer to buy or sell, or advice on an investment strategy.

## A4. What are the risks of investing?

A4.1 There are risks involved in any investment. The level of risk depends on the complexity and type of the investment. There are general risks that can apply to all investments, as well as risks that will be related to the specific types of financial instruments you invest in.

A4.2 Trading OTC products such as CFDs, Forex (i.e., FX spot and/or foreign currency CFDs) and precious metals generally involve greater risks than exchange-traded products due to the absence of a centralised market. These markets are speculative, volatile, and use leverage (which means that both profits and losses can be magnified).

A4.3 You may lose more funds than you invested in your account.

A4.4 More information about the risks associated with trading on the Trading Platforms is set out in our risk disclosure (link: General Risk Disclosure for Covered Products).

## A5. Risks associated with using a digital trading platform

A5.1 Trading on a digital platform or relying on automated computer systems carries inherent risks. This may include the potential inability to access or control your

investments in a timely manner, which could result in financial loss. For example, difficulties may arise as a result of:

i. the failure of your computer/mobile/digital device (including its battery);

ii. a weak internet connection or a weak mobile connection, which means you may not be able to connect to the Trading Platforms, or if you can connect, there may be a delay;

iii. hacking or the use of malicious software that allows a third party to gain access to your information or assets;

iv. your device being incompatible with the Trading Platforms or system specifications, including due to incorrect settings or system specifications;

v. the failure or malfunction of the Trading Platforms or the IBKR System; or

vi. the failure or malfunction of your hardware or software.

A5.2 **We do not guarantee the IBKR System will be operational at all times.** There may be times when the Services are unavailable due to maintenance; technical issues; or delays and disruptions outside our control.

A5.3 In the event of a disruption, we will take prompt and reasonable steps to minimise the impact and restore our Services.

### A5.4 Alternative trading arrangements

A5.4.1 If constant service is important to you, you should ensure you have alternative trading arrangements in place. This will allow you to keep trading if the IBKR System is unavailable or does not work as expected.

A5.4.2 You agree that the fees we charge reflect how we allocate risk. This includes the limits on our liability in Section I1. You understand that our fees would be higher, or we would not have entered into this Agreement, without this allocation of risk and limitation of liability.

## A6. Account opening

### A6.1 The information you provide to us

A6.1.1 We can rely on the information you provide us with unless we know the information is out of date, inaccurate or incomplete.

A6.1.2 You agree to promptly update your account if any of your information changes or becomes inaccurate or misleading. This includes, but is not limited to, changes in the ownership or beneficial interest in your account. You can update your details by logging into the Client Portal and adjusting your settings. If you need help to do this, please contact us (link: Contact Us).

A6.1.3 You authorise us to verify your information as necessary. You agree to promptly provide any additional information or documentation reasonably requested. This may include information to verify your identity or that of any related persons.

### A6.2 Conditions for opening an account with us

A6.2.1 You can apply for an account by completing an Account Application on the IBUK Website.

A6.2.2 To open and maintain an account under these Terms, you must:

i. be at least 18 years old (if you are an individual);

ii. accept the terms of this Agreement;

iii. meet all requirements specified during the Account Application; and

iv. have all necessary authority and legal capacity to enter into the Agreement and to place orders.

A6.2.3 You will need to continue to meet the above requirements and comply with the Agreement throughout the life of your account, as applicable. If we determine you no longer meet these requirements, we may have to close your account in accordance with our right under Section I5.

A6.2.4 Once we accept your Account Application, we will open your account. These Terms will become effective upon account opening, even if you have yet to invest or fund your account.

### A6.3 IBUK appropriateness assessment

*An appropriateness assessment is a process we carry out to ensure that the products and services we offer are right for you, based on your knowledge and experience in investments. To do this, we will ask you for information about your background in investing, so we can check if you understand the risks involved with the products or services you are interested in. This helps us make sure you are able to make informed decisions about your investments.*

A6.3.1 **Non-complex financial instruments:** If you ask us to provide Services related to non-complex products (such as stocks or government or corporate bonds) we will not need to assess whether these products are appropriate for you.

A6.3.2 **Complex financial instruments:** For complex products, such as derivatives or structured products, we are required to assess whether these are appropriate for you based on your knowledge and experience. This means we may need to ask you for additional information.

A6.3.3 If we determine that a product is not appropriate for you, we may deny you access to it. In some cases, we may allow you to trade but will provide a warning before you proceed.

A6.3.4 If you do not provide the requested information, we will not be able to complete the appropriateness assessment, and as a result, we will not be able to offer you access to these complex products.

## A7. Additional requirements by account type

*The following sections apply only to specific account types. Please review the sections relevant to your account.*

### A7.1 Joint accounts

A7.1.1 When you open a joint account with us, one person will be the primary account holder. This person is responsible for some actions, like starting the Account Application and funding the account. We use the primary account holder's personal information for the purposes of client categorisation and appropriateness assessments.

A7.1.2 Each joint account holder agrees that any one of them can:

i. buy and sell investments depending on the account trading permissions;

ii. receive account statements and other communications about the account;

iii. withdraw some or all of the money or assets from the account;

iv. request a modification of account type or Services;

v. close the account and/or terminate the Agreement;

vi. choose not to enforce or require us to comply with specific terms or conditions outlined in the Agreement; and/or

vii. act as if they are the only account holder (i.e., any one of the joint holders shall have the authority to act on behalf of other joint holders).

A7.1.3 Notice to any joint account holder counts as notice to all.

A7.1.4 All joint account holders are responsible for the account and will be responsible for complying with the terms of the Agreement individually.

A7.1.5 We can follow instructions from either holder and disburse some or all account property to either joint holder individually.

A7.1.6 Unless you tell us otherwise when opening the account, a joint account shall be deemed "joint tenants with rights of survivorship". This means that upon the death of one joint holder, the surviving joint holder becomes the owner of all of the assets in the account. The surviving joint holder shall remain subject to any liens, conditions or liabilities that were attached to jointly held assets.

A7.1.7 The surviving joint holder shall provide prompt notice in writing to us upon the death of the other joint holder. Upon the death of the primary account holder (that is, the joint holder assessed for client categorisation and appropriateness), you

authorise us to close positions, restrict transactions, or take any additional steps we deem necessary or appropriate, to the extent permitted by Applicable Law.

### A7.2 Trust accounts

A7.2.1 The trustees warrant and represent on an ongoing basis:

i. that those trustees named in the Account Application are the only trustees for the trust;

ii. that we can take instructions from any trustee and send funds, securities, or other assets to any trustee or as they direct;

iii. that we may ask for written consent from some or all trustees before following any instructions;

iv. that they have the legal authority to: (a) sign this Agreement, (b) open the account, (c) enter into transactions, and (d) make and give instructions, including buying, selling, and managing trust assets;

v. that if only one trustee signs this Agreement, they have the right to act for the account without needing approval from the other trustees;

vi. that all transactions and instructions submitted for this account will follow the trust rules and Applicable Law;

vii. that they will inform the beneficiaries about the account activities as the trust rules or Applicable Law requires; and

viii. not to hold us or our Affiliates responsible for any claims, losses, expenses, or liabilities arising from processing transactions or following instructions given by the Trustee(s).

### A7.3 Organisation accounts

A7.3.1 If you are an agent or representative acting on behalf of an account in the name of a corporation, unincorporated association, partnership, or other organisation, you warrant and represent on an ongoing basis that:

i. your organisation is legally formed and exists under the laws of where it was created;

ii. you have the authority to bind the account holder to agree to and comply with this Agreement and place orders;

iii. you have the authority to trade options, futures, and other investment products allowed in your account based on the rules and requirements of your organisation where you are registered or regulated;

iv. you have taken all the steps needed to authorise the execution of this Agreement and any related documents;

v. all transactions and instructions submitted for this account will follow Applicable Law;

vi. you and any other authorised representatives of the account holder have sufficient experience, knowledge, and understanding of the financial instruments you can trade in your account; and

vii. the persons which you identify to us as authorised to enter orders and trade on behalf of the account holder have full authority to do so.

## A8. Costs and charges

*We are required to provide information about the costs and charges associated with your account ("**Charges**") so that you can understand what you may need to pay and how these Charges affect your investments. This section explains the different types of Charges you may incur when using our services, including commissions, interest, and other fees.*

*Our Charges cover the costs of executing transactions, maintaining your account, and providing services such as market data and research. Some charges may be fixed, while others vary depending on your trading activity or account balance.*

A8.1 You can find full details of our Charges on the Pricing section of our website, as well as in our *Costs and Charges Summary* (link: Costs and Charges Summary).

A8.2 We may make changes to our Charges in accordance with Section I2. This may include introducing new Charges as well as changing existing Charges.

A8.3 If you are a client of a financial advisor, discretionary investment manager or introducing broker ("**Intermediary**"), you will have separately agreed with them the costs and charges for their services. These costs and charges are separate from our Charges. We will deduct the agreed amount for their costs and charges from your account and pay it directly to your Intermediary.

**A8.4 Charges - Overview**

| **Type of Charges** | **Description** |
|---|---|
| **Commissions** | We will take commissions and fees directly from your account, which will reduce your account balance.<br><br>Depending on the asset class, commissions may be charged as a fixed amount or as a percentage:<br>• **Fixed Rate Pricing Plans:** A single flat rate per share or contract that includes all commissions and all exchange and other third-party fees as well as most regulatory fees. This rate does not include stamp tax and financial transaction tax, which are passed through to our clients. |

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| | Fixed Rate Pricing Plans typically suit occasional traders.<br>• **Volume-Tiered Pricing Plans:** Commissions charged decrease based on volume, plus additional fees including exchange, regulatory, applicable tax, and clearing fees. We also apply a surcharge on certain products. In cases where an exchange provides a rebate, we pass some or all the savings directly back to you. Volume-Tiered Pricing Plans typically suit more active traders as they itemise the individual cost components of each trade and pass-through external fees.<br>Learn more about our commissions and other product specific fees:<br>• Commissions - Overview<br>• Options<br>• Futures and Futures Options<br>• Metals<br>• CFDs |
| **Interest** | You may earn interest on uninvested cash in your account. However, balances below a certain threshold (calculated separately for each currency) will not earn interest. The applied interest rates will vary depending on the net asset value of your account.<br><br>For some currencies, interest rates may be negative. This means that instead of earning interest, you may be charged for holding a balance in that currency if its rate is negative. For balances below a certain amount, negative interest will not be charged.<br><br>If you owe money to us, we may also charge you interest on the amount owed.<br><br>Learn more: Interest Rates. |
| **Margin loan rates** | We charge interest on margin loans (i.e. when you borrow money from us). Margin accounts with significant risk exposure may also incur a daily Exposure Fee (link: Exposure Fee for High Risk Accounts). |

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| | Learn more: Margin Rates. |
| **CFD financing rates** | Fees may be charged on long positions held overnight. Depending on market rates, you may receive interest on short positions while paying borrow fees. |
| **Other charges** | Our Affiliate, Global Financial Information Service ("**GFIS**"), distributes third-party research, market data and news - as well as some information resources created within the IBKR Group. Some research and news services are available free of charge. GFIS generally charges a monthly subscription fee for research and news. The monthly fee varies depending on the type of services subscribed for. These subscription services are subject to minimum equity balance requirements, as detailed on the IBUK Website.<br><br>GFIS also provides access to real-time streaming market data via subscriptions for the exchanges on which you may wish to trade. These subscription services are subject to minimum equity balance requirements, as detailed on the IBUK Website.<br><br>Learn more: Research and News / Market Data Pricing.<br><br>You may also be charged fees in relation to:<br>• non-commission based trading fees (e.g. to cancel or modify orders at your request, to close a position over the telephone or to cover fees we are charged by an exchange or other market centre, due to an order you have placed);<br>• exercise and assignment of futures and options;<br>• withdrawals, physical cash deposits and processing of returned cheques;<br>• security transfer fees; and<br>• account maintenance and/or reporting fees.<br>Learn more: Other fees. |

## A9. Keeping your account secure

### A9.1 What are account security details?

A9.1.1 Your account security details help protect your account and keep your money and assets safe. These may include, for example:

- passwords, PINs, and security codes;
- memorable information, like security questions and answers;
- biometric data, such as your fingerprint or face ID.

You may also use other security details to access your account. If you are unsure, check your account settings or Contact Us.

### A9.2 Keeping your security details safe

*It is important to keep your account security details safe to protect your account from fraud and unauthorised access. If your details are not secure, someone could steal your funds, make transactions without your permission, or misuse your personal information. By protecting your security details, you help keep your money and personal data safe.*

A9.2.1 We use the latest security measures to protect your account, but you are also responsible for keeping your account secure. This means protecting your security details. For example, by:

i. never sharing your security details with anyone-even us;

ii. choosing strong passwords and keeping them private;

iii. changing passwords periodically;

iv. making sure your devices are secure, and your apps are up to date;

v. disconnecting from the Trading Platforms when you are not using them; or

vi. being aware of scams and not responding to unexpected messages asking for your details.

A9.2.2 You must tell us immediately if you know or suspect that any person has your security details or has accessed your account without your permission (link: Contact Us).

### A9.3 What happens if your details are not kept safe?

A9.3.1 You understand we cannot confirm if someone else is using your security details to place orders.

A9.3.2 We may block your account if we spot anything suspicious (see Section H1.1) or have concerns about the security of your account.

A9.3.3 If someone else uses your security details before you notify us, you could be held responsible for any transactions or actions they carry out on your account.

## A10. How we will communicate with you

A10.1 Our Agreement with you and all information and notifications will be in English. We will communicate with you in English. For your convenience, some documents are available in multiple languages. If there is a difference between versions, the English version will be the one we rely on.

A10.2 We want you to be able to access your account information quickly and easily. That is why we send important documents and messages electronically. For example, trade confirmations and account statements. We may also provide information about Covered Products on the IBUK Website. For example, margin requirements, or settlement and delivery instructions.

A10.3 You may receive electronic documents and messages through the Trading Platforms, Client Portal, by email, on the IBUK Website, or a secure site from our service providers. We may also need to send documents by mail if required by Applicable Law. When we send something electronically, we will make sure you know how to access it.

A10.4 You confirm that you have regular internet access. You agree to receive all important documents and messages via the IBUK Website or other electronic means.

A10.5 You agree to receive key information documents ("**KIDs**") for Covered Products subject to the Packaged Retail and Insurance-based Investment Products Regulation through the IBUK Website. You can find these documents in the Support section of the Client Portal (under "*PRIIPS KID*"), and via links available in the Trading Platforms when placing orders or viewing information about a Covered Product.

A10.6 You can change your mind about getting electronic updates at any time. Just let us know using the contact details linked (link: Contact Us). However, if you do not agree to receive electronic updates, it may limit our ability to provide the Services to you.

## A11. Cancellation rights

A11.1 You may close your account and cancel the Agreement within fourteen (14) days of the date we open your account ("**Cancellation Period**").

A11.2 You will not be charged for exercising your right to cancel this Agreement during the Cancellation Period. However, if we have carried out transactions on your behalf during the Cancellation Period, you will still have to pay the charges related to those transactions. See Section A8 on our Charges.

A11.3 If you wish to cancel the Agreement during the Cancellation Period, follow the steps to close your account on our website (link: Closing Your Account). Section I6 will also apply, which sets out the terms that continue to apply to you even after the Agreement is cancelled.

A11.4 If you do not cancel under this Section A11, this Agreement will continue to apply to you until terminated. You have the right to close your account and terminate the Agreement at any time under Section I5.2.

# PART B - TRADING WITH US

## B1. Deposits and withdrawals

B1.1 **Depositing funds:** You can find all the details about how to deposit funds and what payment methods are available on our website (link: How do I transfer funds in?).

B1.2 **Withdrawing funds:** Information on how to withdraw funds and any restrictions can be found on our website (link: How do I transfer funds out?).

## B2. Orders and transactions on the Trading Platforms

B2.1 Placing orders

B2.1.1 We will act on any reasonable instructions you give or appear to give in relation to your account.

B2.1.2 An "order" is any request you place to buy, sell, or deal in a financial instrument. Some orders, like limit or stop orders, are for execution at a later time or under specific conditions. An order will only take effect once we accept it and agree to process and attempt execution based on market conditions.

B2.1.3 You can place orders using our Trading Platforms (link: Which Platforms Are Right For You?). You may also use third-party platforms or interfaces. However, we are not responsible for any issues caused by third-party services. These platforms are independent and beyond our control.

B2.1.4 You must ensure that your account has enough cash, equity or other assets to place and settle orders. For example, with a cash account, you need sufficient funds to complete the transaction when it settles before you submit an order to us.

B2.1.5 Information on how to place an order in your preferred Trading Platform is available at the following link: How Do I Place an Order?.

B2.1.6 Once you place an order, you can only cancel it if we confirm your request. We must also be able to cancel it at the trading venue or, for OTC transactions, with the relevant counterparty (which may be us).

B2.2 No obligation to trade

B2.2.1 You do not have to enter into any trades, and we are not required to accept any order or instruction from you.

B2.2.2 We may decline any instruction from you or, having accepted it, refuse to act on such instruction if:

i. we believe the instruction or its consequences are improper, unlawful, or expose us or any of our Affiliates to financial or other risks; or

ii. your account does not meet the conditions applicable to your account type at the time the instruction is submitted or when it is due to be executed. This may include insufficient funds, margin deficiencies, or other non-compliance with account requirements.

B2.2.3 We reserve the right to determine whether we will quote a market or trade in Covered Products and whether we will enter into transactions with you for those products.

B2.2.4 We do not guarantee the continuous availability of quotations or trading for any Covered Products. IBUK may, in its sole discretion, cease quoting and/or cease entering new Covered Products at any time.

B2.2.5 Our decision to enter into a transaction in a product does not commit us to continue trading in that product or to engage in additional transactions with you involving that product in the future.

B2.3 Error correction, order cancellation and modification

B2.3.1 **We have the right to cancel, adjust, or close out transactions even after confirmation if an error occurs.** This includes errors caused by:

i. technical issues affecting our Trading Platforms;

ii. adjustments made by our counterparties;

iii. requirements imposed by Competent Authorities; or

iv. trades executed at prices clearly out of line with prevailing market conditions.

B2.3.2 We may cancel or suspend any open orders if your account does not comply with our terms and conditions. This could include situations such as:

i. placing an order without sufficient funds or eligible assets;

ii. breaching trading limits, risk controls, or other restrictions;

iii. failing to provide required documents or complete verification checks;

iv. attempting a trade that would result in a negative balance not permitted for your account.

B2.3.3 You may request to cancel or modify an order that we have not executed. However, cancellation or modification may not always be possible. The order will only be cancelled or modified if we confirm your request. For orders placed via a trading venue, the change must be permitted by the venue. For OTC transactions, the change must be permitted by the relevant counterparty (which may be us).

B2.3.4 We shall not be liable if you cannot cancel or modify an order. You are responsible for the execution of such order, notwithstanding a request to cancel or modify the order.

B2.3.5 You acknowledge that attempting to modify or cancel and resubmit an order may result in both the original and the replacement orders being filled partly or in full. You are responsible for all such executions.

**B2.4 Best execution**

B2.4.1 Best execution is the requirement to take sufficient steps to get the best possible result for our clients when executing client orders. We must consider various factors, including price, costs, speed, chances of completing the order, and size in order to provide you with best execution.

B2.4.2 Our Order Execution Policy outlines the procedures we follow and the market factors we consider as part of our best execution obligation. This policy is subject to occasional changes that become part of our Agreement with you. You can access it on the IBUK Website (link: Order Execution Policy).

B2.4.3 You are responsible for trading in accordance with any rules or policies applicable to your order (e.g. trading hours, order types, etc.). By signing this Agreement, and whenever you place an order, you confirm that for each transaction, you agree to our Order Execution Policy.

B2.4.4 Our best execution obligation is limited when we follow your specific instructions. For example, if you specify a trading venue, this may prevent us from achieving the best result for you. If an instruction applies to part of an order, we apply our Order Execution Policy to the rest.

B2.4.5 We may utilise another executing broker or dealer, including an Affiliate or a third party, to execute your orders. To the extent that our Affiliates provide execution services for you, they shall provide best execution in accordance with Applicable Law. For execution by a third party, the executing party will be subject to the laws and regulations that apply to them, which may differ from those applicable to us or our Affiliates. The executing party shall have the benefit of all our rights and remedies and limitations on liability under the Agreement.

B2.4.6 Exchanges and regulators require brokers to implement pre-trade filters and checks to prevent order disruptions or rule violations. These measures may cause delays, cancellations, or rejections of orders. We may also impose limits on order price or size before it is submitted to an exchange, at our discretion (see Section B2.6).

### B2.5 IBUK trades as agent or principal

B2.5.1 We typically act as an agent for trades executed on an exchange. For OTC trades, unless stated otherwise, we generally act as a principal or riskless principal.

B2.5.2 OTC trades are executed with IBUK, which may hold a long or short position in the transaction. We can make a profit or loss from the trade or manage its risk by hedging through an Affiliate or third party. These Affiliates or third parties may also realise a profit or loss.

B2.5.3 When we accept your order or execute a trade via external venues, we act as an agent or riskless principal. In these cases, IBUK serves as an "executing broker" and, for the avoidance of doubt, not as a "systematic internaliser", as defined by the FCA Rules (Link to FCA definition: Systematic internaliser).

### B2.6 Position limits

*Position limits are rules that set a maximum number of contracts or shares you can hold in a particular financial product, such as stocks, futures, or options. These limits are designed to prevent excessive risk-taking and keep the market fair for all participants.*

B2.6.1 We may set position limits or restrict the number of open positions you can hold. This may include limits on the size of individual positions, total exposure in your portfolio, or other factors affecting your overall risk profile. Third parties, such as a Competent Authority, may also set position limits that apply to your account.

B2.6.2 We will take action to prevent you from entering into transactions that would result in a position limit violation. This includes monitoring your account activity, sending notifications to help you manage your exposure, and imposing trading restrictions on accounts nearing a limit.

B2.6.3 We may also reduce open positions by issuing closeout or offsetting trades or may require you to reduce your positions. We may refuse to accept orders to open new positions at our discretion. These limits may be enforced even if not required by Applicable Law.

B2.6.4 You must comply with all position limits set by us or any Competent Authority.

B2.6.5 You agree to notify us if you are required to file position reports and to provide copies promptly.

### B2.7 Risks related to expiration or exercise of options or rights

B2.7.1 You must close any long or short option positions (or other rights positions) before expiration if you do not have enough equity to perform your obligations on expiration or exercise of the position. Your failure to do this can create serious risks for both you and IBUK.

B2.7.2 To mitigate such risk, you expressly instruct IBUK to liquidate your options or other rights positions to purchase ("call") or sell ("put") securities prior to expiration if it determines that you may not have sufficient equity to meet your obligations at expiration or exercise.

B2.7.3 For example, if you own an option to sell (put) shares at a fixed price at expiration but you do not hold the shares or have sufficient funds to buy the shares you will need to deliver, we may close the position (for which you will receive proceeds) before expiration.

B2.7.4 If we determine, based on our sole discretion, that you might not have enough equity to meet your obligations at expiration, we may:

i. close some or all of the options before they expire (this could mean buying or selling);

ii. let the options expire without exercising them, even if they are valuable;

iii. exercise the options and then close the resulting position; or

iv. take any other commercially reasonable step to mitigate risk of default.

B2.7.5 You agree that you are not entitled to and may not claim damages or lost profits if we take, or do not take, any of these actions.

### B2.8 Fast and volatile markets

B2.8.1 During busy trading times or in fast-moving markets with large price changes ("**Fast Markets**"), there may be delays in executing your orders. There may also be delays in providing trading activity and other reports.

B2.8.2 When you place either a:

i. market order (i.e. an order to buy or sell immediately at the best available price); or

ii. stop market order (an instruction to buy or sell a Covered Product once its price reaches a specified level)

in a Fast Market, we cannot guarantee that your execution price will match the price you see at the time you submit the order. This is because the market may be volatile and the price may have moved up or down between the time that you place your order and the time that we execute your order. When this happens, we will execute your order at the next best price and in accordance with our Order Execution Policy (see Section B2.4).

B2.8.3 In cases of severe market disruption or unusual price volatility, we may:

i. stop clients, including you, from placing orders for that instrument through the Trading Platforms;

ii. decline to renew expiring contracts;

iii. close out contracts where a significant loss has occurred or is expected; or

iv. prevent any CFD on an initial public offering stock from being traded through the Trading Platforms.

### B2.9 Delivery and settlement

*Delivery and settlement refer to the transfer of assets and payment after a trade. Delivery is when the seller transfers ownership of the asset to the buyer. Settlement is when payment is made and the asset is delivered, or when we receive the asset and you make payment. Both we and you have responsibilities to ensure timely and accurate settlement. We will facilitate the process, and you must meet your obligations. Any delays or failure to settle may result in consequences as outlined in this Agreement.*

B2.9.1 If at any time:

i. you do not deliver any product sold by us on your behalf; or

ii. we consider it is necessary to replace any property delivered for your account;

then: you authorise us to borrow or buy any product needed to complete a transaction.

B2.9.2 We may also replace a previously delivered product and deliver it to the appropriate buyer or party. We may use securities from your account to pay for or return borrowed products.

B2.9.3 When you buy or sell investments, settlement times follow market rules and may vary. Most UK securities settle in two working days, but delays can occur. Other investments may have different settlement times. Local market rules may delay when you receive sale proceeds or when ownership transfers.

B2.9.4 Funds will be paid to your account only after positions are settled.

## B3. Negative balances

B3.1 This Section B3 applies to you if you are:

i. a Retail Client trading Covered Products other than CFDs; or

ii. a Professional Client.

For Retail Clients trading CFDs, please refer to Schedule 1.

B3.2 If there is a negative cash balance in any currency on your account (regardless of whether it is margin enabled), margin interest rates as specified on the IBUK Website will be charged on the balance you owe to us in that currency until the deficit is repaid.

B3.3 **We may treat a cash (non-margin) account with a negative cash balance as a margin account, in which case the terms and conditions specified in these Terms relating to margin shall apply (see Parts D and E).**

B3.4 For any negative cash balance that remains unpaid, you agree to pay and shall be liable for the reasonable costs and expenses of the recovery of the unpaid amount, including, but not limited to, legal fees and/or collection agent fees.

B3.5 If we seek to recover any unpaid deficit through a court or arbitration proceeding, we reserve the right to recover interest at statutory interest rates, rather than margin interest rates.

B3.6 We may take all steps permissible under Applicable Law to recover an unpaid deficit, including but not limited to transferring or assigning the debt to an Affiliate or other third-party entity for collection.

## B4. Confirmations and account statements

B4.1 We will promptly provide, or arrange for an Affiliate to provide:

i. confirmations of order executions or cancellations;

ii. periodic statements, at least monthly;

iii. a summary statement of Charges, at least annually; and

iv. an illustration of the cumulative effect of Charges on returns, at least annually.

B4.2 Any confirmation, statement or illustration we provide will be displayed in the Client Account Management section of the Trading Platform. A transaction shall be deemed executed when your order is confirmed as executed by us.

B4.3 We will confirm the execution or cancellation of your order electronically. This can be through email, the Trading Platforms, or by posting on the IBUK Website.

B4.4 You agree to monitor each open order until we confirm the execution or cancellation. Confirmations may be delayed or incorrect for many reasons including computer system issues or inaccurate reporting. Orders may also be changed or cancelled under appropriate circumstances, including by an exchange or dealer.

B4.5 You must tell us **as soon as possible, but within one business day**, if:

i. you do not receive a confirmation; or

ii. you receive a confirmation you believe to be incorrect.

B4.6 You must also let us know if you see any information in your account statement that you believe to be incorrect. If you do not let us know promptly, we may not be able to make changes or corrections to transactions or balances in your account.

B4.7 We are not responsible for incorrect or missing orders and will execute trades based on the instructions we receive from you. You will be bound by trades that match your order as received by us.

B4.8 We may adjust your account to fix any mistakes. You agree to return any assets that you received by mistake.

## B5. Suspension or withdrawal of Electronic Services

B5.1 We can stop or suspend any part of our Electronic Services right away if:

i. we think someone is using your login credentials without permission;

ii. have reason to believe you are not complying with the Agreement or Applicable Law;

iii. we believe your use of our Electronic Services is putting our operations at risk;

iv. we need to carry out essential maintenance or updates;

v. there are network issues, design problems, or cyberattacks; or

vi. we believe it is necessary to protect our Services to you.

# PART C - HOW WE HANDLE AND PROTECT YOUR ASSETS

## C1. How we protect your client money

### C1.1 Client money segregation and use

C1.1.1 We hold your money as "**client money**" in accordance with the FCA's client money and asset rules ("**CASS**"). These rules require us to segregate your money from our own funds by keeping it in separate client bank accounts. Where permitted by CASS, we may allow third parties, such as exchanges or brokers (including our Affiliates), to hold or control your money for any of your transactions through or with that person or meet any of your obligations to provide collateral for a transaction.

C1.1.2 Your money may be held in a client bank account with up to a 95 day notice period for withdrawals. This means your money might not be available immediately, especially in rare cases of large and simultaneous client withdrawals. However, we monitor cash flow regularly to ensure that you have timely access to your client money.

### C1.2 Client money pooling and risks

C1.2.1 When we hold your client money, it may be pooled with other clients' money in the same bank account(s). In the unlikely event we go out of business, you will not have a claim against a specific amount but will receive a share of the total pool. Any shortfall in client money held in that pool will be shared proportionally. As such, you may not get back the full amount owed to you.

### C1.3 Interest on client money

C1.3.1 Where IBUK holds client money, interest will be paid (or charged) at rates shown on the IBUK Website (link: Interest Rates). Interest is earned daily. We post the interest payments to your account on a monthly basis on the third business day of the following month. Information on how interest is calculated and earned is available on our website (link: Interest Calculations).

### C1.4 Selection of banks and associated risks

C1.4.1 We carefully select and review the credit institutions (i.e., banks) where we hold client money, as required by CASS. However, we are not liable for any issues, mistakes, or failures by the chosen banks. If a third party holding your money becomes insolvent, any shortage of client money in the relevant client money bank accounts may be insufficient to satisfy all claims and such shortage will be shared proportionally among all clients with claims against that bank.

C1.4.2 If your money is held in a bank outside the UK, the legal and regulatory protections may differ. This means your rights may not be the same as they would be under

the UK rules (e.g., in the event of insolvency), and the UK Financial Services Compensation Scheme will not apply.

### C1.5 Further information

C1.5.1 If you have relationships with multiple entities in the IBKR Group, different terms will apply. For more information, refer to our guide on client money and asset protection (link: How your assets are protected).

## C2. When we can stop treating your assets as subject to CASS

### C2.1 Payment of fees, costs or charges

C2.1.1 We may use the money in your account to pay any fees, costs, or charges that become due.

C2.1.2 When you enter into a transaction, all fees, costs, and charges for that transaction will be due immediately upon execution. We will deduct the relevant amount from your account at that time.

C2.1.3 Once money becomes due and payable, it will no longer be treated as client money under CASS.

### C2.2 Unclaimed balances

C2.2.1 You agree that we may stop treating your client money balance as client money and donate it to a registered charity of our choice if all the following apply:

i. the total balance is £25 or less for a Retail Client or £100 or less for a Professional Client;

ii. there has been no activity in your account for at least six (6) years, excluding any interest, fees, or charges; and

iii. we have tried to contact you using the most up-to-date contact details we have, and you have not responded within twenty-eight (28) days.

## C3. Non-custodial assets

C3.1 Covered Products are non-custodial assets. This means that when you trade CFDs, options, futures or OTC products, you are not buying or holding the underlying asset (e.g., a stock or commodity). Since there is no ownership of the underlying asset, there is no need for a custodian to safeguard or manage the asset on your behalf.

## C4. We have a security interest in your assets

C4.1 Any assets you hold with us are pledged as a first-priority lien (i.e., security interest) for amounts you owe.

C4.2 You confirm any margin provided by you is free from third-party claims or interests. You agree not to transfer or assign the margin.

C4.3 We can take or sell your assets if you do not pay what you owe us. This applies to obligations under this Agreement, other agreements with us, or related transactions. Our right is a first-priority lien. This means we are paid before anyone else. It applies to all assets in your account, including securities, cash, investments, contracts, foreign currency, or collateral, and any proceeds from them.

C4.4 You agree that we may use the margin you provide as security for our obligations to brokers, dealers, or third parties, including obligations linked to positions we hold. We will only do this where permitted by Applicable Law, and it will not affect your rights beyond what the law allows.

C4.5 You agree to sign all documents we need to exercise our rights as lienholder.

C4.6 We may allow you to grant a security interest to a third party. However, it must be lower in priority than ours and requires our written consent.

# PART D - MARGIN TRADING

## D1. What is Margin trading?

D1.1 When trading with us, "margin trading" means entering into transactions in financial instruments where:

i. you are using borrowed funds ("**margin loan**"); or

ii. the transaction involves leverage, either directly (e.g. CFDs, futures) or indirectly (e.g. options or leveraged ETFs).

Leverage allows you to gain exposure to a position that is larger than amount of cash you are investing. Because this increases your risk, you will usually need to provide collateral (such as cash or other assets) to cover potential losses. We call this your "**Margin Requirement**".

## D2. Margin trading risks

D2.1 Margin trading carries significant risk. Although margin trading can increase potential returns, it also increases the risk of greater losses - including losses that may be greater than your original investment. If your losses exceed the value of your assets in your account, you will be responsible for paying the difference. You must deposit additional funds to cover such losses.

D2.2 Before engaging in margin trading, you confirm that you have read and understood the "*Disclosure of Risks of Margin Trading*" (link: Margin Trading Disclosure).

## D3. Margin Loans

D3.1 A margin loan allows you to borrow money from us to fund a portion of the purchase price of certain investment products not covered by your own money. To borrow money

from us, you must have eligible cash or assets in your account to use as collateral. The types of collateral we accept can vary, and some assets may not be eligible.

D3.2 Collateral refers to assets that you pledge to us under this agreement to guarantee financial compliance of your account for possible adverse outcomes of your investments. This collateral acts as security for the margin loan. Unless we agree otherwise, collateral assets may not be used as security for other obligations.

D3.3 We charge a rate of interest for the use of our assets to assist you in financing your investments (i.e., margin loans). The interest rates you are charged for margin loans are variable, which means they can increase or decrease over time. Margin interest costs may reduce your investment returns. Our full margin policy and rates are posted on the IBUK Website (link: Margin Rates).

D3.4 If the assets in your account decline in value, your account may become under-collateralised relative to our requirements (margin deficiency). If that occurs, we can act without prior notice to you to resolve the margin deficiency, including by selling securities or other assets in any of your accounts held with us to generate cash sufficient to repay some or all your outstanding margin loan.

# PART E - PORTFOLIO RISK MANAGEMENT

## E1. Margin Requirements

E1.1 Margin Requirements may vary based on a number of factors, including:

i. product type;

ii. product or general market volatility and riskiness; and

iii. relevant exchange, clearing house, or regulator.

E1.2 **Initial margin** is the amount of collateral you must have on deposit to open or increase a position.

E1.3 **Maintenance margin** is the value of collateral required to maintain an existing position. The maintenance margin can change as the value of the asset or risk of loss on a position increases or decreases.

E1.4 If your account falls below the maintenance margin, your positions may be liquidated (see Section E3).

E1.5 Initial margins are higher than maintenance margins in order to provide a buffer in case of adverse market movements immediately after the investment is made.

E1.6 We set Margin Requirements based on our assessment of the riskiness of a product. We also consider any requirements imposed by a relevant Competent Authority. The Margin Requirements are not intended or designed to protect you from loss. However, they are a component of our risk policies, intended to mitigate the likelihood of losses beyond the value of your account.

E1.7 Margin Requirements:

i. can change rapidly depending on market conditions;

ii. may exceed 100% of the purchase price depending upon the product and market conditions.

E1.8 We may treat all your accounts with us as either separate or combined when calculating your Margin Requirements. This could result in a higher total Margin Requirement and may lead to positions being liquidated in one account, even if there is excess equity in another account.

E1.9 For more information, please see our website (link: Margin Trading Overview). Please note: The margin requirements and calculations on our website are for guidance only. They may not reflect the current Margin Requirements for specific products or investments, as these can change in real-time due to market conditions or other factors.

## E2. Margin Requirements can change at any time and without notice

E2.1 We may change our Margin Requirements at our sole discretion for various reasons. For example:

i. in advance of an expected change to the required exchange or clearing house margin;

ii. where we change our assessment of the riskiness of an asset or portfolio; or

iii. to address increased volatility or concerns of instability in the market.

Changes to our Margin Requirements become effective immediately.

E2.2 We determine your compliance with Margin Requirements at our sole discretion and based on our own valuation of securities, derivatives or other investment products. Our valuation may be determined based on bid price, offer price, last sale price, bid/ask midpoint or using some other methods. Our valuation for the purpose of determining compliance with Margin Requirements may differ from published values or market prices.

## E3. If you do not meet Margin Requirements, we can immediately liquidate positions in your account

E3.1 You must meet our Margin Requirements at all times.

E3.2 When your account does not meet applicable Margin Requirements for any investments made on margin, this means it has a "margin deficiency".

E3.3 Margin deficiencies can occur due to a decline in market value of your assets. This reduces the value of your collateral compared to the Margin Requirement.

E3.4 Margin deficiencies can also occur because of an increase in the margin required on a position due to increased risk. For example, if an asset purchased on margin experiences rapid and/or large changes in its market price, then the Margin Requirement for that position is likely to increase.

E3.5 You agree to monitor your margin-enabled account and ensure it has sufficient equity to always satisfy applicable Margin Requirements. You are responsible for this, regardless of whether IBUK provides notice or demand.

E3.6 If your account experiences a margin deficiency, you authorise us to immediately liquidate positions at our sole discretion to reduce risk and meet Margin Requirements. Liquidation may occur without notice and you will not be able to select which positions are sold. (See Section H5, *Liquidation of Assets* for further details.)

E3.7 IBUK has no obligation to close or liquidate positions in your account if you do not comply with Margin Requirements.

E3.8 If your account does not meet the Margin Requirements, we generally do not communicate specific requests for this (known as a "**margin call**"). We also do not usually provide a grace period to cover intraday or other margin shortfalls, and we may close out positions in the account immediately to return the account to margin compliance. Even if we issue a margin call, we may still sell your positions immediately if your account does not meet our Margin Requirements.

## E4. Your failure to satisfy Margin Requirements may have serious consequences

E4.1 Your failure to satisfy the Margin Requirements constitutes an Event of Default (see Section H2). If you default, we and/or our Affiliates have the right, but not the obligation, to pursue all rights and remedies available to it pursuant to this Agreement. This includes our right to liquidate your positions to satisfy a debt you owe to us.

E4.2 If you fail to satisfy the Margin Requirements, then at any time and without notice to you, we may delay or reject any trading order received from you.

E4.3 You are responsible for your own investment and trading decisions, including margin trading. You cannot rely on our liquidation rights as a "stop-loss" mechanism to prevent or mitigate your losses.

E4.4 If we do not apply or enforce Margin Requirements, this will not give you any right to bring an action against us to recover trading or other losses caused by your own investment and trading decisions. You must rely on your own judgment in deciding to enter into or close a position and therefore are responsible for your own decisions. For example, if a flaw in our system allows you to make investments without having sufficient funds or assets to meet the associated Margin Requirements, you are still responsible for any losses (and entitled to any gains) on those investments.

## E5. We may charge an "Exposure Fee" to accounts engaging in higher-risk margin trading

E5.1 We may charge a daily "Exposure Fee" if your account is considered high-risk. This applies where an extreme move in your portfolio could lead to losses your account cannot cover, resulting in an equity deficit. This fee can be charged even if your account complies with the Margin Requirements.

E5.2 We calculate this fee using stress tests and our own algorithm that predicts the risk of your account falling into negative equity under different scenarios.

E5.3 Exposure Fees apply to a small percentage of accounts with unusually risky positions. Most accounts are not subject to the fee. We will let you know if your account becomes subject to Exposure Fees.

E5.4 The Exposure Fee is not insurance against losses and will not offset or reduce your obligation to satisfy any debt or deficit in your account.

E5.5 Deduction of Exposure Fees will reduce account equity. Your positions may be liquidated if Exposure Fees cause a margin deficiency.

# PART F - CONNECTED ACCOUNTS

## F1. How your accounts and collateral work together

F1.1 This Part applies if you have accounts at both IBUK and IBLLC (including an account covered by the IBUK and IBLLC Client Agreement).

F1.2 Your account held with IBLLC ("**IBLLC Carried Account**"), and the account under this Agreement ("**IBUK Carried Account**"), work together.

F1.3 If you do not have enough cash to enter into or maintain positions under this Agreement, we will first look at whether any of the assets held in your account amount to eligible collateral. If so, IBUK may provide you with a margin loan based on the eligible collateral in your IBUK Carried Account.

F1.4 If you do not have eligible collateral in your IBUK Carried Account, we will look at your IBLLC Carried Account:

i. **If you have sufficient excess cash**: we may transfer the excess cash from your IBLLC Carried Account to your IBUK Carried Account.

ii. **If you have eligible assets (but not enough excess cash)**: IBLLC may provide a margin loan to you under the client agreement applicable to your IBLLC Carried Account. The eligible assets will serve as collateral for the margin loan. The cash that results from this loan will then be transferred to your IBUK Carried Account.

F1.5 Your IBUK Carried Account can support your IBLLC Carried Account in a similar manner.

## F2. Which terms apply to the margin loan extended to you?

F2.1 If collateral from your IBUK Carried Account is used to generate funds to meet margin requirements on your IBLLC Carried Account, the terms of this Agreement will apply to the margin loan.

F2.2 If collateral from your IBLLC Carried Account is used to generate cash to enable you to meet the margin requirements on your IBUK Carried Account, the terms of your IBLLC Carried Account will apply to the margin loan.

F2.3 The cross-collateral provisions in Section H4 will also apply.

# PART G - FOREIGN CURRENCY EXCHANGE

You can use your account to buy assets denominated in US dollars, Euros or other foreign currencies. This Part G explains how this works, and possible risks and costs associated with currency conversion.

## G1. Assets must be purchased with local currency

G1.1 You must buy investment products using the currency in which the trade is denominated.

G1.2 If you place an order to buy an asset in a currency different from the cash held in your account, you will need to either borrow or buy the right currency to use for your purchase. Our system will automatically lend you the currency you need for your buy order if you have a margin-enabled account.

## G2. Borrowing foreign currency to purchase assets (for margin-enabled accounts)

G2.1 We will lend you the foreign currency needed for the purchase as a margin loan. You will pay interest on the loan at applicable margin rates (link: Margin Rates) and the domestic currency or other assets you have in your account will secure the loan. The interest rates you are charged for margin loans are variable, which means they can increase or decrease over time (see Section A8 (Costs and charges)).

G2.2 As with any other margin loan, you must meet the Margin Requirements. If you do not, your pledged assets may be sold to restore your compliance with the Margin Requirements (see Section E3, above).

G2.3 Margin Requirements for foreign currency loans are based, among other factors, on market exchange rates. IBUK may require collateral that exceeds the current exchange rate as protection against fluctuation in rates.

G2.4 You can avoid paying interest on the borrowed currency by manually exchanging for the currency you need before placing a buy order (see Section G4).

## G3. Automatic currency conversion (AutoFX)

G3.1 AutoFX applies by default to cash accounts and some other accounts where certain currencies are not supported. If your account is not a cash account but falls into this other category, we will notify you separately.

G3.2 You must buy investment products using the currency in which the trade is denominated.

G3.3 If you place an order to buy an asset in a currency different from the cash held in your account, our system will automatically convert funds in your account to the currency you need for your buy order. We refer to this automatic currency conversion as "**AutoFX**". It is a currency trade timed to settle at the same time as your asset purchase.

G3.4 We set the exchange rate for AutoFX currency conversions based on current market price. We may adjust the rate to compensate for any gap between timing of settlement of the currency conversion and settlement of your asset purchase.

G3.5 The fees we charge for AutoFX trades are detailed on our website (link: AutoFX fees).

G3.6 You can avoid AutoFX conversion by manually exchanging for the currency you need before placing a buy order.

G3.7 If you hold funds in a currency that we do not support, the AutoFX system will automatically convert those funds into your account's base currency. This conversion will occur immediately upon deposit or other accrual of such unsupported currency in your account.

G3.8 Your deposit or proceeds will not be immediately converted to another currency by AutoFX if you:

i. deposit funds in a currency supported for custody by IBUK; or

ii. sell an asset denominated in a currency supported for custody by IBUK.

## G4. Manual foreign currency exchange ("Spot FX")

G4.1 Our system allows you to elect to exchange currencies at current market prices, known as "spot" exchange rates.

G4.2 You can use Spot FX transactions:

i. to avoid borrowing foreign currency by manually exchanging for the currency you need before placing a buy order for an asset sold in another currency;

ii. to repay margin balances (where applicable);

iii. to convert gains generated on investments denominated in a foreign currency into another currency; or

iv. to take positions in other currencies as a speculative or hedging investment.

G4.3 When you use a Spot FX transaction to exchange currencies in your account, you may be buying from or selling to our Affiliates. The Affiliate may earn a profit (or suffer a loss) on the trade. We may represent both you and the buyer (or seller) on the transaction. We may also be the buyer or seller you trade with, but only on a "riskless" basis. This means we will not make or lose money on the trade.

G4.4 We charge a transaction fee for each Spot FX transaction. We may deduct this fee from your account. We may modify the transaction fee rates upon notice to you in accordance with Section I2.

G4.5 **Spot FX rates:** If we close a position or execute any other transaction for your account in currency you do not hold in your account, currency exchange rates could affect your gain or loss. Upon closing the transaction, we may debit or credit your account in the transaction currency at the prevailing exchange rate.

## G5. Cash withdrawals and deposits of foreign currency

G5.1 We do not guarantee that cash withdrawals or deposits can be made in every currency used for investment products on the Trading Platforms. If this is the case, you authorise us to convert the currency of any credit or debit to one that can be used for withdrawal or deposit, at the current exchange rates on the Trading Platforms, plus any applicable commission.

G5.2 If your account or Trading Platforms do not support holding a balance in the currency required to cover obligations, you agree that we may convert funds accordingly. This conversion ensures you have the currency needed to meet those obligations.

## G6. Multiple Spot FX transactions occurring close in time will be combined, or "Netted"

G6.1 Netting involves offsetting the value of multiple transactions or payments due to be exchanged between two parties. This Section explains when netting may occur with respect to Spot FX transactions, which is important for you to understand as this may affect your positions and payments.

G6.2 If multiple Spot FX trades in a particular currency are pending between you and us/our Affiliates at the same time (or close in time), these trades will be "Netted". This means that we will treat and report the trades like one combined netted trade. For example, one order to buy £50 from us and another to sell us £20 will be treated as one order to buy £30 from us.

G6.3 Netting shall also apply when offsetting payments that are due between us on the same delivery date. When this happens, the party that has a net debt shall pay that amount to the other party.

**G6.4 Our right to liquidate assets under the Agreement due to negative equity, margin deficiency, failure to pay any debt due, Event of Default, or other reasons (see Section H5) includes our right (but not obligation) to close-out all your foreign currency positions by converting them to the base currency you selected for**

**your account. We may also liquidate collateral pledged to us and apply the proceeds to satisfy any deficit resulting from any close-out of foreign currency positions.**

**G6.5 If an Event of Default (see Section H2) occurs, then upon the occurrence of such event, all outstanding Spot FX transactions will be deemed to have been automatically terminated as of the time immediately preceding the Event of Default.**

G6.6 Our rights and those of our Affiliates under this section shall be in addition to any other rights that we or our Affiliates may have (whether by agreement, operation of law, or otherwise).

# PART H - ACCOUNT RESTRICTIONS, DEFAULT EVENTS AND OUR RIGHTS OF ACTION

## H1. Account restrictions

### H1.1 When we may restrict access to your account

H1.1.1 We may limit your ability to trade or access your account:

i. to comply with Applicable Law or the direction or request of a Competent Authority;

ii. if we require information from you to meet regulatory or security requirements, and you have not responded;

iii. if we need to address technical or operational issues affecting your account; or

iv. if there is a dispute or reasonable concern about your account. For example, where joint account holders give us conflicting instructions, or where concerns are raised by a person authorised to contact us about your account (known as a "**Trusted Contact**").

H1.1.2 We may also apply restrictions to your account if we know or reasonably suspect that:

i. your account has been involved in fraud, crime, or breaking the law (whether you were the offender or a victim);

ii. you are using your account in an unauthorised way (e.g. primarily for commercial or currency conversion purposes - see Section A2.1.4);

iii. you have lost the ability to make legal decisions;

iv. you are showing signs of vulnerability and could be at risk of harm; or

v. there are signs of suspicious, unusual or inappropriate activity on your account.

### H1.2 What restrictions can be applied?

H1.2.1 Depending on the reasons, we may place restrictions including (but not limited to) the following on your account:

i. restrict you from trading (including placing orders to open, close, reduce or increase the size of a position in any specific instrument or type of instrument);

ii. stop certain types of trades or orders, for example, where that order would cross with the order of another client or to stop you from being on both sides of the market in an instrument;

iii. set limits on the size of your orders or the amount of money at risk;

iv. prevent market orders outside the regular trading session hours for a specific instrument on a specific exchange or market centre; and/or

v. prevent you from putting money into or taking money out of your account.

H1.2.2 You are still responsible for your orders and transactions, even if your trading is restricted under the circumstances as set out in this Section H1.2.

H1.2.3 Restrictions will remain in effect until the issue that led to the restriction is addressed to our satisfaction. This is to help ensure the safety and security of all account holders and the integrity of the Services we provide to our clients.

H1.2.4 You agree to not hold us responsible for any losses, damages, costs or charges incurred resulting directly or indirectly from the exercise of our right to place restrictions on your account or take any other actions as set out in this Section H1.2. However, you do have the right to complain if you are unhappy about an action we have taken (link: How to complain).

## H2. Events of Default

H2.1 The occurrence of any of the following is an "**Event of Default**":

i. you, or we reasonably believe that you are in material breach of any term of this Agreement, or any agreement with us or our Affiliates;

ii. the equity in your account is negative or the account does not meet the Margin Requirements for that specific account type;

iii. your failure to perform any obligation due to us under this Agreement;

iv. you are or become unable to pay your debts as and when they fall due;

v. the initiation by a third party of proceedings for your bankruptcy (if you are an individual) or for your winding up or for the appointment of an administrator or receiver in respect of you or any of your assets (if you are an organisation) or (in both cases) if you make an arrangement or composition with your creditors or any other similar or analogous procedure is commenced in respect of you;

vi. your organisation, trust or company is dissolved, or its registration or permission to exist (if applicable), has been suspended;

vii. any statement or promise you made to us, or our Affiliates, was false or misleading when made; or becomes untrue at any time and is not corrected within three business days;

viii. you fail to respond to our attempts to contact you concerning potentially abandoned property;

ix. you do not provide us with the requested information to verify your identity or the identity of your directors, principals, shareholders, owners, authorised signatories or traders, settlors, trustees or other persons whose identity we need to identify for the purposes of detecting money laundering or other offences;

x. you have committed, or we have reasonable grounds for suspecting that you have committed fraud or any other offence or been deceitful in your dealings with us in relation to your account; and/or

xi. any other circumstances where we reasonably consider that it is necessary to take any action(s) in accordance with Section H2.2 to protect ourselves or our other clients.

H2.2 If an Event of Default occurs, unless otherwise prescribed by Applicable Law, we and our Affiliates may, in our sole discretion, take one or more of the following actions:

i. terminate this Agreement in accordance with Section I5;

ii. end any of our duties to you;

iii. restrict your access to any or all Services;

iv. cancel any unfilled orders;

v. liquidate, sell or close out any of your trades or positions, or any cash, stocks, or other assets in your accounts;

vi. exercise the security interest that we have in your assets;

vii. borrow or buy any property needed to complete a transaction for you, including short sales; and/or

viii. exercise any or all option contracts to which you are a party. If we sell your assets due to an Event of Default, Section H5 of these Terms will apply.

H2.3 If we plan to take any actions under Section H2, we will let you know as soon as we can before any action takes place. However, in some cases, we will only notify you once we have carried out the relevant actions. This could happen when, for example:

i. you violate the Margin Requirements;

ii. you have acted illegally; or

iii. providing you with our Services or maintaining your account may: (A) expose us or our Affiliates to action or censure from any Competent Authority; or (B) be prejudicial to our broader interests or to the interests of our Affiliates.

H2.4 If we decide not to exercise our rights under Section H2 straight away, that does not mean we will not exercise them at a later time. We reserve the right to act in accordance with Section H2.2 at any time (as appropriate).

## H3. Netting and set-off

H3.1 **Transaction netting:** Each transaction between you and IBUK will immediately be netted with all then existing transactions for the same currencies to constitute one netted transaction.

H3.2 **Payment netting:** If on any delivery date, more than one delivery of a currency is due, the amounts deliverable in that currency shall be aggregated and only the difference shall be delivered.

H3.3 **Set off:** To the extent permitted under Applicable Law, we have the right to:

i. deduct (set-off) any money or liability that you owe us from the money in your account; and/or

ii. close your open positions or sell the products we hold for you, whether at a loss or at a profit and subsequently liquidate your account for the liability payable by you.

H3.4 We may also:

i. convert any amounts owed into different currencies as we consider appropriate;

ii. combine your accounts (if you have more than one account with us under any agreement) and offset any amounts you owe to us or our Affiliates across any of your accounts against any amount we owe to you. This can occur regardless of the agreement under which the liability was incurred, provided we are permitted to take this action under Applicable Law; or

iii. use any security you give to us to cover any amounts owed after the set-off.

H3.5 We will generally only use these rights to handle non-payment or late payment of amounts due - including, for example, to cover the paying of margin or any fees or expenses you owe. We may also exercise this right to recover failed payments from you, or payments made to you by mistake.

H3.6 Upon any Event of Default, all outstanding transactions will be deemed terminated as of the time immediately preceding the triggering event. Without further notice to you, all obligations between you and IBUK (across any or all of your accounts with us) will be netted into a single obligation to pay a net sum of cash to IBUK or (if a net amount is payable to you) to you. IBUK may apply such rights regardless of the currency of any amount payable by IBUK to you or vice versa. The netting and set-off rights in this

Section H3 shall be binding upon any third party to the extent allowed by Applicable Law.

H3.7 This Section H3 should be read in conjunction with Section H4, which grants IBLLC the rights outlined in this Section H3 upon the occurrence of an Event of Default under any agreement between you and IBLLC.

H3.8 We will notify you when we use our rights in this Section H3. However, sometimes that notification will only be sent after we have exercised our rights under this Section.

## H4. Cross-collateral agreement and automatic transfer authorisation

H4.1 If you have accounts at both IBUK and IBLLC (including account covered by the IBUK and IBLLC Client Agreement), you agree to the provisions in this Section H4.

### H4.2 Lien and security interest to IBLLC

H4.2.1 Subject to any regulatory margin or collateral requirements applicable to funds and assets held at IBUK, you grant IBLLC a lien over all funds and assets held by or on behalf of IBUK for your account. These funds and assets are pledged to IBLLC to secure your obligations and liabilities to IBLLC, which are arising under any agreements you have with IBLLC.

### H4.3 Lien and security interest to IBUK

H4.3.1 Subject to any U.S. margin requirements applicable to funds and assets held at IBLLC, you grant IBUK a lien and security interest over all funds and assets held by or on behalf of IBLLC for your account. These funds and assets are pledged to IBUK to secure your obligations and liabilities to IBUK which are arising under this or any other agreements you have with IBUK.

### H4.4 Automatic transfer between accounts

H4.4.1 Subject to Applicable Law:

i. if there is a deficit in your IBUK account, IBLLC can transfer excess funds from your IBLLC account to your IBUK Carried Account;

ii. if your IBLLC account has a deficit, IBUK can transfer excess funds from your IBUK Carried Account to your IBLLC account.

These transfers can happen without notice, as long as they comply with Applicable Law.

### H4.5 Liquidation in case of default

H4.5.1 If there is an Event of Default under this Agreement, IBLLC can liquidate assets in your IBLLC account and transfer the excess funds to satisfy your obligations to IBUK.

H4.5.2 If there is an Event of Default under your Agreement with IBLLC, IBUK can liquidate assets in your account under this Agreement and transfer the funds to satisfy your obligations to IBLLC. This can happen without prior notice.

**H4.6 Cross default**

H4.6.1 An Event of Default under your agreement(s) with IBLLC also constitutes an Event of Default under this Agreement. In such an event, IBUK and IBLLC can exercise all rights stated in this Agreement and your separate agreement with IBLLC. This includes netting, set-off rights, and liquidating positions without notice to satisfy your obligations to either IBUK or IBLLC.

H4.6.2 An Event of Default under Section H2 of this Agreement shall constitute an Event of Default under your agreement with IBLLC. In such event, IBUK and IBLLC shall have all rights stated in this Agreement and in your agreement with IBLLC.

## H5. Liquidation of assets

H5.1 We may take action under this Section H5 subject to any limitations under Applicable Law, including the FCA's rules on trading CFDs for Retail Clients.

H5.2 We and our Affiliates may (but are not obligated to) liquidate (i.e., sell or close) all or part of your assets in any of your accounts with us in the following circumstances, as determined in our respective sole discretion:

i. an Event of Default has happened (see Section H2);

ii. your account has an overall negative balance;

iii. you place an order and receive an execution, but that execution results in not having sufficient equity to remain in margin/cash compliance;

iv. your account does not have enough money to meet the Margin Requirements (see Section E1);

v. we or our Affiliates expect that holding a position in your account will likely result in a margin violation. For example, when a derivatives position expires;

vi. the Agreement has ended (see Section I5);

vii. to comply with Applicable Law, court order or other similar directions;

viii. where liquidation is needed to protect us or our Affiliates. For example, if we reasonably believe that we (or an Affiliate) may otherwise be exposed to legal action or censure from any Competent Authority; and/or

ix. to follow good market practices.

H5.3 Your assets (including open positions) can be liquidated, in any manner and through any dealer, without advance notice to you. However, you will be notified if liquidation of your assets does happen.

H5.4 If we do provide you with advance notice that your assets are at risk of liquidation, this does not mean that your assets cannot be liquidated.

H5.5 You cannot choose which assets may be liquidated or the order or manner of liquidation.

H5.6 If your assets are liquidated and your overall account balance is negative, you must repay the shortfall. We are not responsible for any losses you may have from this. You must also pay for any costs and reasonable legal fees that arise from the negative account balance created.

H5.7 If the IBKR System does not liquidate your assets and we ask for more margin (i.e. issue a margin call), you must deposit money immediately. Even after asking for more money, IBUK or its Affiliates can still liquidate your assets if it believes necessary, in accordance with Section H5.2.

# PART I - GENERAL PROVISIONS

## I1. Limitation of our liability

I1.1 You may incur losses when using our Services. Losses can happen for a number of reasons, including:

i. decisions you make when buying or selling investments;

ii. technology issues, outages, or delays that affect how or when your orders are placed or executed (see Section A5 for more on digital platform risks);

iii. market conditions outside your or our control-such as price volatility or liquidity issues;

iv. mistakes in the information you enter or the instructions you give;

v. actions we may take under this Agreement - such as refusing to accept an order (Section B2.2), restricting your account (Section H1), or closing a position (Section H5).

We may take such actions, for example, where required to comply with law or regulation, to manage risk, or to protect your account or the Trading Platform. You are responsible for your own trading decisions, and losses are a normal risk of investing or trading.

I1.2 It is important to understand when we do/do not accept liability for losses, so that you can make an informed decision about the risks of using our Services. While our limitation of liability is described below, nothing in this Section I1 prevents us from considering individual complaints on their merits. If you have a complaint relating to this Agreement or the Services we provide, please refer to How to complain above.

I1.3 We (which in this Section shall include our Affiliates and or our respective directors, officers, employees, associates or agents) are not responsible for any loss or damage

you incur that is not directly caused by our own action or inaction. For example, we are not responsible for loss or damage caused by:

i. decline in the value of your investments due to market conditions;

ii. any unexpected circumstances, actions, or events that are outside of our reasonable control, including but not limited to severe weather, natural disasters, cyberattacks, power failures, or labour disputes;

iii. acts of war, terrorism, or similar threats;

iv. your actions or decisions, including your investment decisions or submission to us of trading instructions, even if submitted in error;

v. your failure to protect your username and password or the security of computers or devices used to connect to our Trading Platforms;

vi. the action or inaction of third parties (other than vendors we have contracted with to provide the Services to you under this Agreement), including but not limited to the actions of hackers, fraudsters or other criminals;

vii. the failure of any broker, dealer, counterparty, custodian, sub-custodian, trading venue or other third party to perform their obligations; or

viii. action/inaction of any Competent Authority (where we are not at fault for the action taken).

I1.4 We are not responsible for any loss or damage arising from or related to:

i. actions we take (or do not take) to comply with Applicable Law;

ii. our refusal to execute any order; or

iii. any failure, delay or error in confirming any of your transactions.

I1.5 We shall not be liable for:

i. any loss of profits (whether direct or indirect);

ii. loss of opportunity;

iii. business losses (meaning losses related to your trade, business, craft or profession);

iv. damages that are not directly connected to our action or inaction (known as consequential damages); or

v. punitive damages.

For example, even if you suffer a loss due to a trading error that is our responsibility, you cannot claim lost profits on positions you claim you would have opened in the event the error had not occurred.

I1.6 The Agreement does not limit or exclude our liability for death, personal injury, fraud or fraudulent misrepresentation or any other duty or liability we owe you under Applicable Law.

## I2. Notifying you of changes to this Agreement

I2.1 We may make changes to this Agreement (including introducing new charges or changes to existing Charges or changes to the basis on which we charge) from time to time for any valid reasons, including those set out in Section I3.

I2.2 If we add a new term or change an existing term in this Agreement, we will take reasonable steps to provide you with appropriate notice. There might be times when we let you know after we have made a change, for example, if a change benefits you or does not put you at a disadvantage. Section I2.3 sets out the types of changes which we may make under this Agreement and the relevant notice we will provide to you.

I2.3 Types of changes and notification timing

| **Types of change** | **When will we notify you?** |
|---|---|
| • Changes to the Agreement that are favourable to you.<br>• Changes made to reflect Applicable Law.<br>• Changes to the interest rates we charge or pay, where we have a valid reason for the change. | We will tell you about these changes within thirty (30) days of making the change. |
| • Any other change that is not favourable to you. | We will give you at least thirty (30) days' advance notice. |
| • Minor changes, such as drafting and typographical amendments. | Such changes may be made by updating these Terms on the IBUK Website, without direct notice to you. |

## I3. Reasons for changing this Agreement

I3.1 We may change the Agreement for any or all of the reasons set out in this Section I3:

i. to make the terms more favourable to you or to correct a mistake or oversight or ambiguity;

ii. to comply with any change (or reasonably expected change) in Applicable Law or to reflect a change in industry guidance or code of practice;

iii. to respond to a relevant recommendation, requirement or decision of a Competent Authority;

iv. to respond to the consequences of any event beyond our control that may impact the provision of our Services to you;

v. to take account of any reorganisation of the IBKR Group or to effect a transfer of rights under Section I14;

vi. to improve our Services;

vii. to reflect any changes to the Services or products we offer under the Agreement, or changes to our systems, processes and procedures, market practice or client requirements;

viii. to follow internal policies on competitiveness, market share, or overall profitability; and/or

ix. to introduce new Charges for new services or products, or to change or introduce the Charges for existing Services.

I3.2 An up-to-date copy of these Terms is available on the IBUK Website (link: Client Agreements).

## I4. Your rights if we change this Agreement

I4.1 If you are not satisfied with any changes we make to the Agreement, you may wish to close your account, in accordance with Section I5.2.

I4.2 Changes to the Agreement will take effect automatically, in accordance with Section I2.3. By continuing to use our Services and not closing your account, you confirm your acceptance of any changes made to this Agreement.

## I5. Ending our relationship

### I5.1 Our right to close your account and end the Agreement

I5.1.1 We can terminate the Agreement **immediately** if we have **serious grounds** or **valid reasons** for doing so. For instance, if you disagree with a change we are making to the Agreement or if there is an Event of Default.

I5.1.2 We also have the right to end the Agreement by giving you at least **thirty (30) days' notice** in writing.

I5.1.3 If we terminate the Agreement without giving you advance notice, we will inform you promptly afterwards.

I5.1.4 After termination, we and our Affiliates may, at our discretion, take any of the actions specified in Section H2.2.

**I5.2 Your right to end the Agreement**

I5.2.1 If we have not specified any restrictions for a particular Service or product, you can terminate this Agreement at any time.

I5.2.2 To close your account, you will first need to close or transfer all open positions and withdraw any remaining balance from your account. Further actions that may be required are set out on the IBUK Website (link: Close Your Account). Once all required steps have been completed, you can log in to the Client Portal and submit a request to close your account.

## I6. Ongoing responsibilities after the Agreement ends

I6.1 The following Terms will still apply even after the Agreement ends:

i. you are responsible for your orders(A3.1);

ii. ending our relationship (I5);

iii. limitation of our liability (I1);

iv. software licence (I7);

v. your personal information (I9);

vi. confidential information (I10);

vii. governing law and resolving disputes (I17); and

viii. any other term intended to continue.

## I7. Software licence

I7.1 You can only use the IB Software as stated in the Agreement.

I7.2 The IB Software is our property or that of others who allow us to use it. This includes all legal rights, like patents and copyrights. You do not own the IB Software and cannot sell or give it away.

I7.3 You may make a backup copy of the IB Software only if it is genuinely necessary for using your account, and only if Applicable Law requires us to permit it. You may also study or test the IB Software, but only where Applicable Law specifically gives you that right. No other rights to copy, use, or analyse the IB Software are granted.

I7.4 You cannot copy, change, translate, decompile, or adapt the IB Software unless permitted by Applicable Law or you have our written permission.

I7.5 If you do not follow these rules, we can take legal action against you.

I7.6 If you have questions about your rights, please Contact Us.

## I8. Use of Data

I8.1 "**Data**" includes price quotations, market information, news, and research. We, our Affiliates, and other third parties may provide you access to Data under this Agreement. We do not guarantee the accuracy, timeliness, or completeness of the Data. Reliance on the Data is at your own risk. You should conduct further research or consult an investment advisor before making decisions. You are fully responsible for all trading decisions related to your account.

I8.2 The Data does not include quality guarantees, suitability for a specific purpose, or freedom from infringement.

I8.3 The Data belongs to us, our Affiliates, or any other third party that provided the information. This Data is protected by Applicable Law, so you cannot copy, share, sell, or use it in any way without getting permission from the owners of the Data. We can stop you from accessing the Data if you do not follow these rules.

## I9. Your personal information

I9.1 We care about your information and will handle it responsibly.

I9.2 By signing this Agreement, you agree that you have acknowledged the content of our Privacy Policy, which you can also find on the IBUK Website. We will use your personal information as described in our Privacy Policy. If you have any questions about how we use your information, please contact our Data Protection Officer at dpo@ibkr.com or refer to the Privacy Policy (link: IBKR Privacy Policy).

I9.3 You authorise us to carry out such credit and identity checks (with third-party sources) as we may deem necessary or desirable. You acknowledge and agree that this may result in your personal information being sent to third-party agents acting on our behalf. We will handle your personal information according to the Privacy Policy.

I9.4 If you are a company, partnership, or trust, and you give us any personal information about your shareholders, directors, employees, or clients, you confirm that:

i. each such individual has been informed of how their data will be used; and

ii. you have obtained their consent, where required, for its use in accordance with Applicable Law.

I9.5 We and our Affiliates may collect, keep, and use information from you to comply with Applicable Law and any rules. This may include sharing information with government agencies. We may send your personal information outside of the UK. For more details about sending your information outside of the UK, please check our Privacy Policy. You can find out how we protect your information by contacting the IBUK Data Protection Officer at dpo@ibkr.com.

## I10. Confidential information

I10.1 **Mutual confidentiality:** In our relationship under the Agreement, both sides agree to keep any information about the other confidential.

I10.2 **Restrictions on sharing:** Neither party will share the other's information without prior consent, except in specific situations where confidentiality does not apply (see Section I10.3).

**I10.3 Exceptions to confidentiality**

I10.3.1 Confidentiality obligations do not apply if:

i. the information becomes public knowledge through no fault of the receiving party;

ii. the receiving party already knew the information before it was disclosed by the other; and/or

iii. the information is received from a third party who was not bound by confidentiality.

**I10.4 Disclosure required by Applicable Law**

I10.4.1 If the receiving party is required by Applicable Law or court order to disclose the information, they must:

i. give prior notice to the disclosing party; and

ii. limit the disclosure to only what is required by Applicable Law.

## I11. Recording your communications with us

I11.1 Phone calls and electronic messages with us or our Affiliates may be recorded.

I11.2 To the extent permitted by Applicable Law, we, our Affiliates, or others we appoint, may record, review and share your messages. This includes emails, calls, and other electronic communications with you (or your agent). We may use these recordings as evidence, if needed.

I11.3 If required by Applicable Law, we will give you a copy of your phone or electronic communication records upon request. There might be a charge for processing such request.

I11.4 All recordings and other records will remain our sole property and are considered proprietary to us. We will keep these records in accordance with Applicable Law and our policies.

## I12. Conflicts of interest

I12.1 The IBKR Group has policies and procedures to help identify, prevent and manage conflicts of interest. These conflicts may arise between members of the IBKR Group and clients, or between clients. The IBUK Conflicts of Interest Policy sets the framework for handling conflicts. It covers business practices that could cause a

conflict of interest. In addition to the IBUK Conflicts of Interest Policy, we have other policies and processes in place that address conflicts of interest that arise in specific circumstances, including those dealing with employee trading, external interests, or gifts and entertainment.

I12.2 If we cannot fully prevent a conflict from affecting your interests, we will inform you. We will disclose to you the conflict's source, its nature, and the steps we have taken to reduce risks before providing you with the Services.

I12.3 You allow us, our Affiliates, and our clients to act as buyers for orders you give us to sell; or as sellers for orders you place with us to buy. You acknowledge and understand that we and/or our Affiliates may have interests that conflict with yours and we may have duties that conflict with those owed to you.

I12.4 **Trading for own accounts:** You consent to us: (i) trading on our own behalf; and (ii) trading for our Affiliates. This could happen even if we receive orders from you for the same products at the same price that still need to be executed. You also agree that we can trade with you for our account, for an Affiliate, or another client, and we can profit on those trades.

I12.5 **Forex transactions (including Forex CFDs):** We will generally act as agent or riskless principal and charge a fee. We may effect Forex transactions through an Affiliate or third party, which may make a profit or loss from such transactions.

I12.6 We may receive discounts that we share with clients. Rebates we pass on may also be less than what we receive. We may share commissions, fees, or small non-monetary benefits with others, like agents. We can pay or receive these if they improve our Services and do not harm our duty to act fairly for clients. We will tell you about any commissions, fees, or benefits we receive. If we cannot say how much it is, we will explain how we calculated it. If we receive an inducement, we will inform clients about how it will be handled.

I12.7 **Transaction matching:** We may match your transaction with another client's transaction. This includes transactions involving us, our Affiliates, connected clients, or other clients. Matching transactions may occur on behalf of both you and the other party, or through executing simultaneous matching transactions at or near the same time.

I12.8 You can find a summary of the IBUK Conflicts of Interest Policy on our website (link: Conflicts of Interest UK Policy) or Contact Us for more information.

## I13. Life events - Inheritance of your assets

I13.1 In the event of your death, your heirs, beneficiaries, personal representative of your estate, or family member should notify us by emailing us at estateprocessing-europe@interactivebrokers.com.

I13.2 Upon receipt of a certified death certificate, we will commence estate processing to determine appropriate distribution of assets. Processing instructions will be provided to verified estate administrators, heirs or beneficiaries.

I13.3 Upon receiving notice that an account holder is deceased, we may need to take certain actions, such as placing restrictions on the account, as we deem necessary or appropriate.

## I14. Transferring rights under this Agreement

I14.1 You agree to allow us to transfer all or some of our rights and responsibilities under the Agreement to any appropriate Affiliate or to any third party that is a properly regulated and authorised broker-dealer, futures commission merchant, or similar investment professional. If we choose to do this, we will make sure to give you at least thirty (30) calendar days' notice.

I14.2 We will treat you continuing to use the Services as you agreeing to the transfer and assignment, but you can cancel your account at any time in accordance with Section I5.2.

I14.3 The Agreement will benefit IBUK's successors and assigns and will bind your successors and assigns.

I14.4 You may not transfer or assign any rights or obligations under this Agreement without our prior written consent. If the Agreement or any of your rights under it are assigned or transferred, the assignee or transferee will be responsible for all your past and current debts and obligations to us and our Affiliates.

## I15. Applicable Law

I15.1 This Agreement, along with any orders or transactions placed or executed under it, is subject to Applicable Law. This includes all relevant laws and regulations, as well as the rules, policies, and procedures of any "**Competent Authority**", being:

i. any exchange, market, or clearing house where orders are routed or transactions are executed or cleared;

ii. any depository or settlement system;

iii. the FCA; and

iv. any other regulatory, self-regulatory, or governmental authority that governs our activities.

I15.2 You shall not open any positions that result in a breach of Applicable Law. For example, you must not carry out any trading activity on the basis of inside information or carry out any trades in order to create a distorted market or misleading impression in relation to the price of the financial instruments, including under UK MAR.

I15.3 Except as provided under Section I15.5, we will not be liable to you for any action, inaction, decision or ruling made pursuant to Applicable Law.

I15.4 We may take or avoid any actions that we think are necessary to comply with Applicable Law. You understand that exchange rules may give the exchange broad authority to (i) cancel or reject a transaction, (ii) require the use of set-off rights, and (iii) take any other steps the exchange deems appropriate. The exchange may use these powers in emergencies, undesirable situations, or if there is a default (including if a third-party defaults).

I15.5 If a Competent Authority takes action that impacts a transaction, we can take reasonable steps to respond or minimise any losses. However, we are not responsible for any actions, decisions, or rulings by the Competent Authority if we are not at fault.

## I16. Severability

I16.1 If any part of this Agreement is found to be illegal, invalid, or unenforceable by a court or authority, that part will be removed, but the rest of the Agreement will remain applicable and valid.

I16.2 Where possible, any part removed will be replaced with a legal, enforceable term that matches the original intention as closely as possible. This ensures the purpose of the Agreement is preserved.

## I17. Governing law and resolving disputes

I17.1 This Agreement, your account, and any transactions under it are governed by the laws of England and Wales. This applies to both contractual and non-contractual obligations. Subject to I17.2, all disputes will be resolved in the courts of England and Wales unless Applicable Law provides otherwise. For example, if you live outside England and Wales but within the UK, you can bring a claim in Scotland or Northern Ireland, depending on where you live.

I17.2 We can bring claims against you in the courts of:

i. England and Wales;

ii. the country in which you live; and/or

iii. the country in which your assets are located.

I17.3 We may serve court documents by sending them:

i. by registered post to the address we have for you;

ii. electronically (if permitted by Applicable Law); or

iii. in any other manner permitted by English law, the law of the place where we serve proceedings or the law of the country where the court is located.

### I17.4 Arbitration

I17.4.1 You have the option to settle disputes through arbitration. Arbitration, a form of alternative dispute resolution, involves an independent body reviewing the details

of a disagreement and working to resolve it outside of court. In most cases, especially for Retail Clients, the FOS would be the expected route. You can contact the FOS using the details provided here (link: How to Complain).

I17.4.2 However, you also have the right to choose other arbitration forums. If you are considering this option, it may be helpful to seek legal advice. Arbitration claims shall be heard by a single arbitrator, unless the claim exceeds £400,000 (or equivalent alternative currency), in which case the dispute shall be heard by a panel of three arbitrators. The language of any arbitration shall be English.

### I17.5 Legal Fees

I17.5.1 You agree that, except for some instances where we can recover legal costs from you (see Sections B3 (Negative balances), H5 (Liquidation of assets) and this Section I17), you and we will each pay our own legal fees and agree that the other party will not be required to pay for those costs, as long as Applicable Law allows this. If one party tries to make the other pay, the defending party can request reimbursement for any related costs.

## I18. Not enforcing the Agreement

I18.1 If we do not enforce any term or condition of the Agreement at any time, it does not mean we have given up our rights to enforce them later. Any change to a provision requested by you requires written consent from IBUK.

## I19. Third party rights

I19.1 Aside from our Affiliates, a person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of the terms of the Agreement. This does not affect any right or remedy of any third party which exists or is available apart from that Act.

## I20. Taxes

I20.1 Your tax treatment depends on your personal circumstances and may change in the future. Changes in tax laws or regulations may apply retrospectively. You are responsible for understanding how these changes may affect you.

I20.2 We may deduct or withhold taxes or amounts payable to you from your account. This includes taxes imposed in the UK or other jurisdictions. When calculating or deducting taxes, we may make reasonable estimates of the amounts due. These estimates are based on reasonable calculations and available data. We will credit the excess to your account if we withhold too much tax. If the withheld tax is insufficient, we may recover the shortfall from your account. There may also be taxes, duties, or levies applicable to your transactions that we do not withhold or pay on your behalf.

I20.3 You must pay any taxes, charges, or fees related to your transactions. This includes penalties or interest imposed by any Competent Authority in connection with the Services under this Agreement.

I20.4 You must ensure that any tax information you provide is accurate and complete. You may need to reimburse us if incorrect or incomplete information results in additional taxes. This applies only if the amounts are reasonable, proportionate, and evidenced. We will not hold you responsible for taxes, penalties, or costs from our mistakes.

I20.5 You should seek independent professional tax advice if you need guidance on how taxes apply to your circumstances.

# SCHEDULE 1 - TRADING CFDS

This Schedule outlines the terms applicable to you when trading Contracts for Difference ("**CFDs**") with IBUK. These terms differ based on whether you are classified as a **Retail Client** or a **Professional Client**. Retail Clients benefit from greater regulatory protections than Professional Clients. CFD transactions for Retail Clients are governed by the FCA Rules applicable to CFD trading.

## 1 Important risk notice

**1.1** CFDs are complex products with a high risk of losing money rapidly due to leverage. Trading with leverage magnifies your gains and losses, so small price changes in the underlying product can result in large losses or gains.

**1.2** You confirm that you are aware of the percentage of retail investor accounts that lose money trading CFDs. This information is published on the IBUK Website (link: CFD losses).

**1.3** Before trading, ensure you understand how CFDs work and assess whether you can afford the high risk of losing money. Our risk disclosure sets out more information on the risks involved with CFD trading (link: Risk Disclosure Statement for Trading CFDs and Foreign Currencies).

## 2 Nature of CFDs - No voting or other rights

**2.1** CFDs are contracts you enter with IBUK; they are not traded on a regulated exchange or cleared through a central clearing house.

**2.2** CFDs allow you to make gains or losses based on price movements of an underlying product (e.g., shares, currencies) without owning that underlying product.

**2.3** Orders sent to IBUK for CFDs are not orders for the underlying product and will not be represented on exchanges that may list or trade the underlying product.

**2.4** CFDs do not give you voting rights or ownership in the underlying products. Therefore, share CFDs do not give you any interest or right to vote, or to participate in voluntary corporate actions (tenders for example) concerning the underlying products. Mandatory actions are generally reflected as cash or position adjustments (see Sections 10 and 11).

## 3 Contract specifications

**3.1** We offer CFDs across different asset classes, including: (i) share CFDs; (ii) index CFDs; (iii) Forex CFDs; and (iv) precious metal CFDs.

**3.2** Detailed specifications for CFDs are available via the Trading Platforms. These are binding unless they conflict with the Agreement, or we have agreed otherwise in writing. You agree to review these specifications before trading.

## 4 Trading hours and quotations

**4.1** IBUK is not obligated to provide quotes at all times. IBUK may suspend trading CFDs due to market conditions, technical issues, or other factors.

**4.2** If IBUK is not offering a quotation online, you can contact us to close your CFD. This only applies during regular trading hours when the underlying market is trading normally. The market must not be halted, suspended or facing extraordinary conditions. We will use reasonable efforts to provide a price.

## 5 Opening and closing CFDs

**5.1** CFD positions remain open until you enter into an offsetting (closing) transaction or IBUK exercises its rights to close out a transaction (e.g. due to margin issues). Positions may also be adjusted or closed due to events affecting the underlying products. For example, if the company underlying the CFD becomes insolvent, or is acquired or merges with another company, IBUK may close the CFD position. Or where the underlying product is delisted from the exchange.

## 6 Settlement

**6.1** All transactions involving CFDs on shares and indices will be settled in cash, using the currency in which the CFD is denominated.

**6.2** For CFDs involving Forex, any realised profit or loss and interest cash flows will be settled in the quote currency of the relevant currency pair.

**6.3** Unless we notify you otherwise (either on our website or by direct notice), CFD trades will settle within the same settlement period as the underlying product.

**6.4** You have no right or obligation to take delivery of the underlying product in relation to any CFD.

## 7 Margin requirements

**7.1** CFD transactions are subject to our margin policies, as described in this Agreement. The way we apply our margin policies may vary depending on your client categorisation. Our margin policies apply as described in Part D, Part E and on our website (link: Margin Requirements), subject to the contents of this Schedule. **You must monitor your account to ensure sufficient equity to meet margin requirements at all times.**

**7.2 Retail Clients**

7.2.1 Margin requirements for CFDs are subject to the minimum requirements under Applicable Law, in particular the FCA's rules relating to CFDs.

7.2.2 We may apply higher margin requirements than the FCA minimum. If your account falls below the required margin, we are authorised to liquidate your positions immediately, without prior notice.

7.2.3 We provide negative balance protection to all Retail Clients for their CFD trading only. This means that if you are a Retail Client trading CFDs, your total liability is limited to the value of the assets dedicated to CFD trading in your account.

### 7.3 Professional Clients

7.3.1 We set margin requirements based on our risk models and may change them at our discretion.

7.3.2 If your account falls below the required margin, we can immediately close your positions without prior notice.

7.3.3 Professional Clients **do not** receive negative balance protection. This means that if your losses exceed the funds in your account, you will be responsible for paying the shortfall.

### 7.4 Cross-collateral agreement and automatic transfer authorisation

7.4.1 **Professional Clients:** See Part F ("*Connected Accounts*") and Section H4 for the "Cross-collateral agreement and automatic transfer authorisation" covering clients with both IBUK and IBLLC accounts.

7.4.2 Retail Clients: Part F ("*Connected Accounts*") and the "*Cross-collateral agreement and automatic transfer authorisation*" for clients with accounts at both IBUK and IBLLC (see Section H4) are subject to Applicable Law. In general, this means:

i. you allow IBLLC to automatically transfer excess cash from your IBLLC account(s) to your IBUK account(s) to meet Margin Requirements for opening new CFD positions;

ii. IBLLC will not provide a margin loan to you to allow you to open or maintain CFD positions in your IBUK Carried Account; and

iii. IBUK and/or IBLLC will not normally liquidate open positions other than your CFD positions or move cash from your other accounts to your CFD account(s) to cover a margin shortfall or unpaid margin on an existing CFD position.

## 8 Financing charges (interest for CFDs)

**8.1** If you hold a long share or index CFD position overnight, you will pay a financing charge (interest) on the value of that position.

**8.2** For short CFD positions held overnight, you may either:

i. receive a rebate (interest); or

ii. incur a financing charge,

depending on prevailing interest rates. This excludes any applicable borrow charges.

**8.3** For rolled-over Forex CFD positions, you will either pay a financing charge or receive a rebate. This is based on the difference between the prevailing cash rebate rate for the base currency and the cash rate for the quote currency. The resulting rate may be positive or negative:

i. a positive rate results in a credit for long positions and a charge for short positions.

ii. a negative rate results in a charge for long positions and a credit for short positions.

**8.4** This financing charge or credit is calculated separately for each Forex CFD, regardless of any other balances you may hold in those currencies.

**8.5** Financing charges and rebates on open CFD positions are calculated daily and applied in the currency in which the CFD is denominated.

**8.6** CFD interest rates are set by IBUK. Current CFD interest rates are published on the IBUK Website and may vary depending on the size of your CFD balance.

## 9 Short Transactions in CFDs and Borrow Charges

**9.1** Short sales of CFDs may be subject to restrictions. Whether you are permitted to enter into a short CFD position depends on regulatory requirements, conditions in the stock loan and borrow markets, and other relevant factors relating to the underlying product.

**9.2** IBUK reserves the right, at any time and in its sole discretion, to close out your open short CFD position. This may occur, for example, if the underlying product becomes difficult or impossible to borrow. Closure may take place without prior notice to you or your consent, either by requiring you to buy in the CFD or by IBUK placing buy-in order(s) on your behalf.

**9.3** In addition to the usual CFD financing charges or rebates, borrow charges apply to short CFD positions. These charges are generally determined by conditions in the stock loan and borrow market for the relevant underlying product.

**9.4** Indicative borrow charge rates for specific CFDs are available on the IBUK website. However, these rates are for guidance only.

## 10 Dividends

**10.1** CFDs do not entitle holders to dividends from the underlying asset. Instead, if you hold a long CFD position, you will receive a cash adjustment on the ex-dividend date reflecting the dividend. If you are short, you may be charged a debit. The amount credited or debited may be adjusted for tax purposes.

**10.2** If you hold securities that pay a dividend, the dividend is included in your account's Net Asset Value ("**NAV**") once it accrues. This usually happens on the ex-dividend date - the date when your securities start trading without the right to receive the next dividend.

**10.3** The accrued amount stays in your dividend accrual balance until the payment date, when it moves to your cash balance. Your NAV reflects the dividend from the ex-dividend date.

## 11 Corporate actions affecting CFDs

**11.1** If a corporate action (e.g. stock split, merger) affects the underlying asset, we may adjust or close your CFD position to reflect the corporate action. Adjustments may also include issuing additional CFDs, reducing positions, crediting or debiting accounts, or substituting CFDs with equivalent instruments.

**11.2** Our approach will generally (but may not always) follow these principles:

11.2.1 **New or reduced shares:** If a corporate action increases or reduces the number of shares in the underlying asset, we will adjust your CFD position accordingly. This means we will add or reduce the number of CFDs in your account to reflect the change.

11.2.2 **New company or share type:** If the corporate action results in a new listed company or a new type of share, and we decide to offer CFD trading for these, we will create a corresponding long or short CFD position in your account, where appropriate.

11.2.3 **Cash adjustments:** If adjustments lead to fractional shares or other situations where a CFD cannot be created, we will credit or debit your account with a cash amount that fairly reflects the change.

11.2.4 **Early closure of CFDs:** If we are unable to determine a fair cash adjustment, we will generally close your CFD position five days before the corporate action takes effect. If the announcement is made less than five days before the action, we will close the position as soon as possible.

**11.3** We will aim to provide notice where possible. However, it is your responsibility to monitor corporate actions that may affect your positions.

## 12 Compliance

### 12.1 CFD opening restrictions

12.1.1 You confirm that you will not open CFDs if it would result in a requirement to disclose your exposure under the law. For example, you may be required to declare your position if it exceeds certain limits set by regulators.

12.1.2 If a disclosure requirement arises after you open a position, you must make the required declarations and notify us of your interest. You will also take all reasonable steps to ensure that any third parties acting together with you in relation to the same position also make the required declarations.

### 12.2 Notification of declarable interests

12.2.1 You will always notify us and keep us updated regarding your aggregate declarable interests.

# SCHEDULE 2 - TRADING OTC PRECIOUS METALS

## 1 Important risk notice

**1.1** Trading over-the-counter precious metals ("**Precious Metals**") is high risk. Prices change quickly. Using margin means you could lose more than you deposited.

**1.2** Before trading, consider your finances and risk tolerance. Only trade if you have experience, accept high risk, and can afford losses.

**1.3** Read our risk disclosure before investing to understand the risks (link: Risk Disclosure: Precious Metals).

## 2 Nature of OTC precious metals transactions

**2.1** When you trade OTC precious metals with IBUK, we act as your counterparty. These transactions are not conducted on a regulated exchange and are not cleared or settled through a central clearing house.

**2.2** All Precious Metal transactions with IBUK are on an unallocated basis. This means we do not assign or segregate specific lots of Precious Metals to you. Instead, we hold unallocated Precious Metals with third-party custodians on a net basis. We may also use other arrangements, such as derivatives contracts, requiring third parties to deliver Precious Metals to us.

**2.3** Your credited holdings represent only a claim against us for the cash value of Precious Metals and do not grant you ownership of specific lots.

## 3 No physical delivery of Precious Metals

**3.1** We do not allow physical delivery of any underlying precious metals. Instead, when you close your position, the contract is cash-settled based on the value of the precious metal at that time.

## 4 Transaction specifications

**4.1** Details on OTC precious metals transactions are available via the Trading Platforms. You agree to review these specifications before trading OTC precious metals. These specifications are binding unless they conflict with this Agreement or another written agreement between you and IBUK.

## 5 Settlement

**5.1** All OTC Precious Metals transactions are settled in cash, either in **U.S. dollars** or the currency in which the Precious Metal was quoted. Generally, settlement occurs **within two business days**, unless stated otherwise on the IBUK Website or in a notice to you.

## 6 Margin for OTC precious metals

6.1 Your transactions are subject to our margin policies, as outlined in this Agreement (see Part D) and on the IBUK Website (link: Margin Requirements).

**6.2** Margin requirements are determined using risk models at our discretion and may change at any time.

## 7 Short Sales and Forced Closure

**7.1** Short sales of Precious Metals may be restricted based on market conditions or regulations.

**7.2** We reserve the right to forcefully close your short position at any time. We may require you to buy back the Precious Metals or issue buy orders on your behalf, without prior notice or consent.

## SCHEDULE 3 - DEFINITIONS

**Account Application:** your account application together with any other information or documents required to open and operate your account in accordance with the Agreement.

**Affiliate:** each entity within the IBKR Group.

**Agreement:** The Interactive Brokers (U.K.) Limited Client Agreement for Carried Products; your Account Application; the Express Consent Form and any other express consent you give from time to time; and any documents we refer to in these Terms. This includes the following: (i) General Risk Disclosure for Covered Products; (ii) Costs and Charges Summary; (iii) Order Execution Policy; (iv) Summary of Conflicts of Interest Policy; and (v) Privacy Policy.

**Applicable Law:** all applicable laws and regulations including, without limitation, the constitutions, articles, by-laws, rules, regulations, policies, procedures and interpretations of any Competent Authority.

**AutoFX:** currency trades timed to settle at the same time as your asset purchase.

**CA Manager:** Corporate Action Manager.

**Cancellation Period:** period during which a client may cancel this Agreement (i.e. within fourteen (14) days of it coming into effect).

**Cash account:** an account that is not permitted to make investments with borrowed funds.

**CASS:** FCA's client money and asset rules.

**CFDs:** contracts for difference.

**Charges:** costs and charges (including those from third parties) that apply to the Services.

**Commodities Margin:** the amount of cash you must have deposited in your account to open and maintain a contract for future receipt or delivery of a commodity like oil, gold or silver.

**Competent Authority:** (i) the exchanges, markets and clearing houses to which orders are routed, or transactions are executed or cleared; (ii) any depository or settlement system; (iii) the FCA; and (iv) any other regulatory, self-regulatory or governmental authority to which we are subject.

**Covered Products:** the products which are available to trade under this Agreement, including certain: (i) non-US index options; (ii) non-US index futures; and (iii) OTC products, such as CFDs (e.g., share and foreign currency CFDs), FX Spot and precious metals derivatives (e.g., unallocated gold and silver).

**Data:** price quotations, market information, news and research accessible through the IBUK Website, or the websites of our Affiliates, or through the other services provided by us or our Affiliates.

**Electronic Services:** electronic trading services (including connectivity services), the Trading Platforms or any other electronic and information systems or networks subject to the terms of the Agreement.

**ETF:** Exchange Traded Fund.

**Event of Default:** the predefined circumstances as set out under Section H2 that allow IBUK to terminate this Agreement.

**Exposure fee:** the fee charged by IBUK if we deem your account to be at a high risk of going into a deficit.

**Fast Markets:** periods of heavy trading and/or fast or volatile market conditions with wide price fluctuations.

**FCA:** Financial Conduct Authority.

**FCA Rules:** the rules of the FCA.

**Forex:** foreign currency CFDs and/or foreign exchange spot.

**FOS:** Financial Ombudsman Service.

**FSCS:** UK Financial Services Compensation Scheme.

**FX Spot:** over-the-counter spot currencies.

**GFIS:** Global Financial Information Service.

**IB Software:** all software related to the provision of products and services granted by IBUK and its Affiliates to the clients.

**IBKR Group:** the Interactive Brokers group of companies.

**IBKR System:** collectively, the computer-based automated systems in connection with providing services, including but not limited to the receipt and handling of orders; the execution and cancellation of orders; order and trade confirmation; the clearing and settlement of transactions; tax-related reporting; the delivery of corporate action information; account management; storing and processing account information; and risk management.

**IBLLC:** Interactive Brokers LLC.

**IBLLC Carried Account:** an account covered by the IBUK and IBLLC Client Agreement.

**IBUK:** Interactive Brokers (U.K.) Limited.

**IBUK Carried Account:** an account opened under the terms of this Agreement.

**IBUK Website:** www.ibkr.co.uk.

**Initial margin:** the amount or percentage of your own assets you must have on deposit to open a position (e.g. to buy an asset or buy or sell a futures or other derivatives contract).

**Intermediary:** a financial advisor, discretionary investment manager or introducing broker appointed to act on your behalf.

**KIDs:** Key Information Documents.

**Maintenance margin:** the value of funds required so long as you hold an asset or position purchased on margin; the maintenance margin can change as the value of the asset or risk of loss on a position increases or decreases.

**Margin account:** an account permitted to take out a margin loan and use these borrowed funds to buy assets.

**Margin call:** a request by IBUK when money must be added to a margin account to meet minimum capital requirements.

**Margin Deficiency:** when your account does not meet applicable Margin Requirements for any investments made on margin.

**Margin Requirements:** initial margin and maintenance margin in accordance with the margin requirements which have been established by either IBUK or its Affiliates or by the applicable Competent Authorities, whichever is greater.

**Message Center:** a secure communication system that allows users to interact with Interactive Brokers Client Services.

**Netted:** if multiple Forex trades in a particular currency are pending between you and us (including our Affiliates) at the same time (or close in time), these trades will be "netted", which means we will treat and report the trades like one combined netted trade.

**On margin:** trading "on margin" means that you are permitted to make an investment that could result in losses that exceed the value of the money or assets in your account.

**Order Execution Policy:** the procedures IBUK follows and the market factors we consider as part of our best execution policy.

**OTC:** over-the-counter.

**Professional Client:** a client who is not a Retail Client or an eligible counterparty.

**Retail Client:** a client who is not a Professional Client or an eligible counterparty.

**Securities Margin:** using borrowed funds (a margin loan) to purchase stock or other investment products.

**Services:** services provided to you under this Agreement.

**Terms:** this document including its schedules, which comprise Interactive Brokers (U.K.) Limited Client Agreement for Carried Products.

**Trading Platforms:** the trading platforms made available to you by us from time to time, including but not limited to: IBKR Trader Workstation, IBKR Desktop, IBKR Mobile, IBKR GlobalTrader and the Client Portal.

**UK:** the United Kingdom.

**UK MAR:** the Market Abuse (Amendment) (EU Exit) Regulations 2019 (SI 2019/310).

**Web Ticket:** a web ticket is a secure communication method in the Message Center that allows users to submit inquiries to Interactive Brokers Client Services. Each ticket is assigned a unique reference number for tracking purposes.

## SCHEDULE 4 - WEBSITE LINKS

| Topics | Website Links |
|---|---|
| **CA Manager** | https://www.ibkrguides.com/clientportal/support_corporateaction.htm?Highlight=corporate%20actions%20manager |
| **Call Us** | https://www.interactivebrokers.co.uk/en/support/customer-service.php?p=contact |
| **Closing your account** | https://www.ibkrguides.com/clientportal/closingyouraccount.htm |
| **Complaints Policy Summary** | https://www.interactivebrokers.co.uk/en/accounts/legalDocuments/complaints.php |
| **Conflicts of interest policy summary** | https://www.interactivebrokers.co.uk/en/accounts/legalDocuments/conflict-of-interest-policy-uk.php |
| **Costs and charges summary** | https://gdcdyn.interactivebrokers.com/Universal/servlet/Registration_v2.formSampleView?formdb=4378 |
| **Fractional Share Trading Disclosure** | https://gdcdyn.interactivebrokers.com/Universal/servlet/Registration_v2.formSampleView?formdb=4289 |
| **FSCS website** | http://www.fscs.org.uk |
| **General Risk Disclosure for Covered Products** | General Risk Disclosure for Covered Products |
| **How do I place an order?** | https://www.interactivebrokers.co.uk/lib/cstools/faq/#/content/77848937 |
| **How do I transfer funds to my account?** | https://www.interactivebrokers.co.uk/lib/cstools/faq/#/content/27276866 |
| **How do I transfer funds out?** | https://www.interactivebrokers.co.uk/lib/cstools/faq/#/content/28229824 |

| | |
|---|---|
| **How your assets are protected** | https://gdcdyn.interactivebrokers.com/Universal/servlet/Registration_v2.formSampleView?formdb=3083 |
| **IBKR Privacy Policy** | https://gdcdyn.interactivebrokers.com/Universal/servlet/Registration_v2.formSampleView?formdb=2192 |
| **IBKR Support** | http://www.ibkr.co.uk/support |
| **Interest rates** | https://ibkr.co.uk/en/accounts/fees/pricing-interest-rates.php |
| **Key information documents** | https://www.interactivebrokers.co.uk/en/accounts/forms-and-disclosures-mifid.php |
| **Order Execution Policy** | https://gdcdyn.interactivebrokers.com/Universal/servlet/Registration_v2.formSampleView?formdb=4420 |
| **Margin trading disclosure** | https://gdcdyn.interactivebrokers.com/Universal/servlet/Registration_v2.formSampleView?formdb=1005 |
| **Risk Disclosure Statement for Forex Trading and Multi-Currency Accounts** | https://gdcdyn.interactivebrokers.com/Universal/servlet/Registration_v2.formSampleView?formdb=3024 |
| **System requirements** | https://www.interactivebrokers.co.uk/en/search/index.php?query=minimum+system+requirements |
| **The UK Financial Ombudsman Service** | https://www.financial-ombudsman.org.uk |
| **Trusted Contact** | https://www.interactivebrokers.co.uk/lib/cstools/faq/#/content/30118648 |
| **Which platforms are right for you?** | https://www.interactivebrokers.com/en/index.php?f=13868 |

## SCHEDULE 5 - RETAIL CLIENT PROTECTIONS

**Professional Clients are entitled to less protection under UK regulatory regimes than Retail Clients.** This notice outlines key protections Retail Clients may lose if treated as a Professional Client.

1. ## Appropriateness Assessment

   If a firm does not offer investment advice (i.e. provides execution-only services), it must assess the appropriateness of its services. For Retail Clients, the firm must check if they have the necessary experience and knowledge to understand the relevant risks. Professional Clients are assumed to have sufficient experience and knowledge. IBUK does not need to assess appropriateness for Professional Clients, nor provide warnings.

2. ## Costs and Charges

   Firms must clearly inform clients about all costs and charges associated with its services or products. Information provided to Professional Clients may be less detailed than that for Retail Clients.

3. ## Transfer of Financial Collateral

   As a Professional Client, you may enter into title transfer financial collateral arrangements as a Professional Client. **This is not permitted for Retail Clients.**

4. ## Packaged Investments

   If a firm offers a packaged investment with other services or products to Retail Clients, it must inform them if the risks are different from the components taken separately. The firm must also describe the components and explain how their interaction modifies risks. **These requirements do not apply to Professional Clients.**

5. ## Retail Investor Protection for CFDs

   Retail Clients benefit from the following regulatory protections for CFDs:

   i. leverage limits based on the underlying asset's volatility;

   ii. a margin close-out rule at 50% of the required margin per account;

   iii. negative balance protection on a per account basis;

   iv. restrictions on incentives for CFD trading; and

   v. a risk warning, including the percentage of losses on Retail Clients' accounts.

   **These protections do not apply to Professional Clients.**

6. ## Communication and Financial Promotions

   Firms must ensure communications with clients are clear, fair, and not misleading. For

Professional Clients, communications may be less frequent and promotional content less detailed. Financial promotions aimed at Professional Clients do not need to include all relevant information to help them make an informed decision.

Certain documents, like KIDs, are not required for Professional Clients.

Retail Clients receive more detailed and frequent information to ensure they make informed decisions.

7. **Depreciation in Value Reporting**

   For Retail Clients with positions in leveraged instruments, firms must report a 10% depreciation.

8. **Dealing and Best Execution**

   When executing transactions for Retail Clients, firms must prioritise the total cost, including all fees. For Professional Clients, other factors such as speed and costs may be considered, not just price. The firm must ensure the best execution for Professional Clients, but price is not the sole factor.

9. **Difficulty in Carrying Out Orders**

   Firms must notify Retail Clients promptly if there are any material difficulties with their orders. This requirement does not apply to Professional Clients.

10. **Exclusion of Liability**

    Firms have greater freedom to exclude or limit liability for Professional Clients compared to Retail Clients.

11. **Financial Ombudsman Service**

    Professional Clients may not be eligible for the FOS, except in specific cases, such as small businesses or individuals acting outside their professional capacity.

12. **Compensation**

    You may be eligible for compensation from the FSCS if the firm fails to meet its obligations. Eligibility depends on the type of claim and business involved. You can find more details on eligibility at https://www.fscs.org.uk or contact us for clarification.