



# INTERACTIVE BROKERS IRELAND LIMITED

## DESCRIPTION OF OUR SERVICES AND COSTS AND CHARGES

### OVERVIEW

We have set out below explanatory guides to:

- i. the terms of our Customer Agreement ("**Agreement**"), which govern the terms upon which we do business with you, and
- ii. our Costs and Charges - you can find further information regarding our Costs and Charges on the "pricing" section of our website.

### GUIDE TO OUR GENERAL BUSINESS TERMS

This Guide is for convenience only. Please refer to the Agreement for the precise legal rights and obligations that apply to your brokerage account and your relationship with us more generally. If there is any inconsistency between this Guide and the Agreement, the Agreement will prevail.

**Clause 1 (Introduction)** contains basic regulatory information about IBIE, a glossary of key terms and information on where the Agreement applies.

**Clauses 2 to 4** contain information on the specific services that we provide.

- **Clause 2 (Services and Trading)** provides details on the nature of our services and describes how we execute orders and confirm trades. In particular, you should note the following:
  - We do not provide investment, tax or trading advice (**Clause 2A(ii)**).
  - You are responsible for all orders and instructions (**Clause 2B(vi)**).
  - You are responsible for protecting the secrecy of usernames and passwords and you are responsible for trades entered by third parties using your username and password (**Clause 2B(vi)**).
- **Clause 3 (Custody Services)** sets out how we protect your money and your assets.
- **Clause 4 (Margin Requirements, Security Interest, Netting and Set-Off)** governs the application of our margin policies, provides for the creation of a

security interest and regulates set-off and netting between you, us and our affiliates.

- Note in particular that we do not generally make margin calls. However, we maintain the right to close out positions immediately, without notice or liability, in any account that does not have sufficient funds to meet the margin requirement imposed by us or any exchange/regulatory authority. At our sole discretion, given the market or other factors, we may choose to make a margin call and/or may liquidate account positions. If you receive a margin call you are required to immediately deposit funds to cover the deficiency.
- For further information on the above, please see **Clauses 4A(iv) through (vi)** in particular.

**Clause 5 (Our Remuneration)** provides the legal mechanics that enable us to charge for our services and refers you to the "Pricing" section of our website for a detailed explanation of the costs and charges applicable to your account. Please note that we provide an overview of our costs and charges in the "Guide to our Costs and Charges" set out below.

**Clause 6 (Warranties, Indemnities and Default)** sets out some of your contractual obligations to us as well as when you will be in default under the Agreement. We draw your attention to the limitation of liability clause and the fact that we are not liable for system or network failures to the fullest extent possible under applicable laws (see **Clause 6B**).

**Clause 7 (Use of Electronic Services)** sets out some important information about the use of our electronic services. In particular, it requires you to confirm that you maintain alternative trading arrangements that will allow you to continue to trade if our services are not available.

**Clauses 8 (Confidentiality) and 9 (Use of Confidential Information)** contain important acknowledgments and authorisations in relation to the way we obtain, store and transfer personal information.

**Clause 10 (Recording)** sets out how we record telephone conversations and electronic communications.

**Clause 11 (Particular Account Types)** sets out terms that apply to particular types of accounts that might be held with us.

**Clauses 12 (Complaints) and 13 (Compensation)** set out information on how you can make a complaint to us and the circumstances in which compensation may be available from official compensation schemes.

**Clause 14 (Miscellaneous)** addresses how we deal with conflicts of interest that may arise from time to time, sets out the circumstances in which either of us may end our

business relationship, and explains that the agreement is governed by Irish law and that the Irish courts have jurisdiction in the case of any dispute that may arise.

## **GUIDE TO OUR COSTS AND CHARGES**

This Costs and Charges Guide provides an explanatory guide to our pricing structure. For further information please refer the "*Pricing*" section of our website, which hosts a dedicated page for each of the applicable Costs and Charges, organised by relevant product and market.

IBIE will charge you for each Service or Transaction in accordance with our applicable rates on the relevant market, financial instrument or assets. Our costs and charges comprise Commissions, Margin Rates, Interest Rates, Short Sale Cost, and Other Fees and we provide an overview of each of these below as well as information on the charges imposed by our affiliate, Global Financial Information Services ("**GFIS**"), for Research and News, and Market Data.

If you are a client of an Advisor or an Introducing Broker ("**Intermediary**"), you will have separately agreed with your Intermediary the costs and charges applicable to their services. Those costs and charges are separate from those applied by IBIE in relation to the provision of its services. As set out in the Agreement, if instructed by your Intermediary, IBIE will collect from your account and pay to your Intermediary, the corresponding amount of their costs and charges.

<b>Name of Charge</b>	<b>Description</b>
Commissions	<p>We apply commissions on all products, apart from some ETFs and Mutual Funds. This means that you will pay a commission when trading stocks, warrants, options, futures, and futures options, single-stock futures, EFPs, forex, fixed income, CFDs, and most ETFs and funds around the world.</p> <p>We offer two types of pricing plans:</p> <ul style="list-style-type: none"> <li>• <b>Fixed Rate Pricing Plans:</b> 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 some US regulatory fees as well as stamp tax and financial transaction tax, which are passed through to our clients. Fixed Rate Pricing Plans typically suit occasional traders.</li> <li>• <b>Volume-Tiered Pricing Plans:</b> 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</li> </ul>

	traders as they itemise the individual cost components of each trade and pass-through external fees
Margin Rates	<p>We charge interest when you borrow money from us. This means that you will be charged interest when you have taken out a margin loan. Additionally, margin accounts that are deemed to have significant risk exposure may be charged a daily "Exposure Fee".</p> <p>If you have an open CFD position, you will either pay or receive interest. For Share CFDs, you will also be subject to an additional stock borrow fee on short CFD positions (see <a href="#">Short Sale Costs</a> below).</p>
Interest Rates	<p>We may apply interest to the credit balance held in your account based on rates available in the interbank deposit market. This means that we may pay interest to your account if your credit balance is in a currency carrying a positive interest rate. Conversely, we may charge interest to your account if your credit balance is in a currency carrying a negative interest rate.</p> <p>Our published interest rates are for direct clients of Interactive Brokers. <b>Clients introduced through another broker may receive a different amount of interest (or no interest) at the election of their broker. Clients should contact their introducing broker about the rates that will apply to their account.</b></p>
Short Sale Costs	If you sell shares short, we borrow equivalent shares on your behalf to satisfy your obligation to deliver shares to the purchasers and apply a Stock Borrow Fee to your account. In certain cases, we also pay you interest on Short Sale Proceeds.
Research and News	<p>Research and news are available to you through GFIS, our affiliate. While 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 IBIE website.</p> <p>GFIS retains around 5% to 10% of the monthly fee quoted on the website to cover their administrative and other costs related to the provision of these services. The remainder of the fee is paid to the vendor.</p>
Market Data	<p>GFIS 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 IBIE website.</p> <p>Subscription fees are assessed based on the number of users subscribed to the service on the account. These fees are in addition to</p>

	<p>the minimum equity balance requirement. Select market data services are eligible for commission-related waivers.</p> <p>GFIS retains 5% to 10% of the fees charged to cover administrative and other costs related to the provision of these data services. The remainder of the fee is paid to the vendor.</p>
Other Fees	<p>You may also be charged fees in relation to:</p> <ul style="list-style-type: none"> <li>• corporate actions and dividend processing;</li> <li>• 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);</li> <li>• exercise and assignment of futures and options;</li> <li>• withdrawals, physical cash deposits and processing of returned cheques;</li> <li>• security transfer fees; and</li> <li>• account maintenance and/or reporting fees.</li> </ul>

### **Collection of Costs and Charges**

Transaction commissions, fees and other charges are charged to your account upon each order's transmission and/or execution. Credit interest is payable and debit interest is charged at such frequency, rates and on such credit or debit balances as set forth under "Interest Rates" and "Margin Rates", respectively.

Subscriptions to Research and News and to market data are collected monthly on the first week of the following month.

Other fees, where applicable, are charged to the account in the manner described in the "Other Fees" section of our website.

Further details are provided on each of the dedicated pages of our website.

Where instructed to do so by your Intermediary (if any), IBIE will collect from your account and pay to your Intermediary (if any) the costs and charges applied by your Intermediary to your account.

### **Multi-Currency Trading**

The Multi-Currency Account function gives the ability to trade in products and make deposits and withdrawals in different currencies using a single account that is denominated in a base currency of the client's choosing.

Generally, transaction costs and interests charged or accrued by the client are paid in the currency in which they are incurred. However, this is not the case for Forex executions where the commission is charged in the base currency of the account, not the denomination of the currency pair traded.

In certain cases, IBIE may automatically convert your funds to another currency. Where your account is enabled for automatic currency conversion functionality, IBIE will convert your funds at a rate derived from prevailing market conditions at the time of execution.

### **Costs and charges illustrations**

The [linked examples](#) show the potential impact of the costs you may pay on your investment return on a hypothetical and best efforts basis. The total costs take into account one-time, ongoing, and incidental costs. The amounts shown assume cumulative costs related to the products traded and services that might be provided to your account. Actual costs might vary.