

## **DESCRIPTION OF INTERACTIVE BROKERS CUSTOMER INFORMATION POLICIES AND PROCEDURES**

The policies and procedures described herein apply to all Interactive Brokers Group (the "Group" or "IB Group") affiliates, and generally relate to the confidentiality and prevention of misuse of, or access to, Customer trading information, including Customer orders. IB does not engage in investment banking or research or providing investment advice, nor do IB account executives engage in verbal communications with Customers for the purpose of making recommendations or giving advice with respect to the purchase or sale of financial products. IB Customer orders ordinarily are transmitted through IB's automated order routing system. As such, IB personnel have a limited role in relation to particular Customer orders.

IB generally engages in proprietary trading only to correct errors, or in connection with authorized adjustments of Customer orders or accounts (e.g., close-outs, fails, or other similar transactions). Other Group affiliates are primarily engaged in proprietary trading (i.e., dealing or market-making for their own account) and these affiliates may place orders with IB for execution. Protections built into IB's automated order routing system are designed to assure that when a Customer order is entered into the IB system and transmitted for execution (e.g., to an exchange's electronic system), the identity of IB's Customer is anonymous.

In addition, whether an order is designated as a Customer order or a proprietary order of IB or one of its affiliates, the processing modules in IB's automated order routing system are designed to process orders on a "first come, first served" basis without reference to the source of the order (please note however that Customer orders must pass through certain processing steps -- e.g., margin checks and various other Customer-protection filters -- that do not apply to orders of IB Group's broker-dealer affiliates).

The integrity of IB's order routing system is evidenced by an audit trail that is maintained and that time stamps Customer orders as well as proprietary orders and orders of IB Group affiliates. Further, the IB order routing system is not designed to allow disclosure of Customer orders to any person, including any IB Group trading personnel, prior to the transmission of these orders to the exchange or market center for execution. Finally, only a limited number of identified and approved personnel of the Group may enter proprietary orders or affect the trading engaged in through the systems that generate the Group's proprietary orders.