



INTERACTIVE BROKERS LUXEMBOURG SARL FULLY DISCLOSED CLEARING AGREEMENT

This Clearing Agreement ("**Agreement**") is entered into by and between _____ ("**Introducing Broker**") and Interactive Brokers Luxembourg SARL ("**IB LUX**"), a limited company that is duly organised and existing under the laws of the Grand Duchy of Luxembourg, with a principal place of business at 4, Rue Robert Stuemper, L-2557 Luxembourg, Grand Duchy of Luxembourg. IB LUX is authorised and regulated in the Grand Duchy of Luxembourg by the Commission de Surveillance du Secteur Financier (the "**CSSF**") in the conduct of its investment business and is included in the CSSF's register of authorised firms under number P0000488. The CSSF's address is 283, route d'Arlon, L-1150 Luxembourg (collectively the "**Parties**").

WHEREAS, Introducing Broker desires to introduce accounts to IB LUX on a fully disclosed basis ("**Fully Disclosed Accounts**" or "**Accounts**");

WHEREAS, IB LUX desires to provide execution and clearing services for the Accounts, subject to the terms and conditions of this Agreement;

NOW THEREFORE, for and in consideration of the mutual promises, covenants and agreements contained in this Agreement and other good and valuable consideration, the sufficiency of which the Parties hereby acknowledge, and intending to be legally bound by this Agreement, the Parties agree as follows:

1. **Establishment of the Accounts:** The Fully Disclosed Accounts shall be established and maintained in conformity with any and all applicable laws, governmental, regulatory, self-regulatory, exchange and clearing house rules, regulations, regulatory guidelines, interpretations, protocols and the customs and usages of the applicable exchanges and clearing houses (the "**Applicable Laws**").
2. **Applicable Fully Disclosed Accounts:** This Agreement shall apply to all Fully Disclosed Accounts introduced by Introducing Broker and carried by IB LUX and any separate proprietary account of the Introducing Broker.
3. **Allocation of Responsibilities:** Introducing Broker shall introduce clients to IB LUX on a fully disclosed basis ("**Clients**") pursuant to the terms and conditions of this Agreement. The Fully Disclosed Accounts shall be carried in the name of the Clients. The responsibilities of the Parties shall be allocated as set forth below. To the extent that a particular function is allocated to one party under this Agreement, the other party shall supply that party with information in its possession pertinent to the proper performance and supervision of that function.
4. **Opening, Approval and Monitoring of Fully Disclosed Accounts:**
 - 4.1. IB LUX shall be responsible for the opening, approval, monitoring and supervision of the Fully Disclosed Accounts.
 - 4.2. IB LUX shall not have any discretionary authority with respect to any Fully Disclosed Account. Introducing Broker may have discretionary authority with respect to Fully Disclosed Accounts and shall supervise such accounts in accordance with the Applicable Laws.

- 4.3. IB LUX shall: (a) verify Clients' identities; (b) obtain certain information from each Client (e.g. financial information and investment objectives) to determine whether the Client satisfies IB LUX's criteria for establishing a brokerage account and trading the investment products requested by Client; (c) approve or disapprove the opening of the account; and (d) maintain those new account records related to the foregoing that are required by Applicable Laws.
- 4.4. Introducing Broker shall be solely and exclusively responsible for: (i) satisfying all other requirements of "know your customer" suitability and sales practice requirements including, without limitation, all requirements related to any investment advice, investment recommendations, solicitation of orders, discretionary trading authority or any other service that the Introducing Broker may provide to Client and (ii) maintaining all new account records related thereto that are required by Applicable Laws.
5. **Required Disclosures:** The Parties agree to provide Clients with any disclosures required to be given to Clients under the Applicable Laws of their respective home countries. IB LUX shall notify each Client of the existence of this Clearing Agreement and of the relationship between IB LUX and Introducing Broker.
6. **Investment Advice:** Representatives of IB LUX are not authorised to provide investment, tax or trading advice or to solicit orders and none of the information, research or other material provided by IB LUX or on IB LUX's website constitutes a recommendation by IB LUX or a solicitation to buy or sell securities, options, futures or other investment products. Introducing Broker may provide investment advice and, to the extent that it does so, shall comply with Applicable Laws including, without limitation, any applicable suitability and "know your customer" requirements.
7. **Receipt, Segregation, Safeguarding and Delivery of Client Funds and Extension of Credit:** IB LUX shall receive, segregate, and deliver Clients' funds, securities, and other property in accordance with Applicable Laws.
8. **Client Money and Custody:** IB LUX shall provide to Fully Disclosed Accounts client money and safe custody services.
9. **Acceptance and Submission of Orders and Instructions:**
 - 9.1. IB LUX is authorised to accept orders directly from a Client for its Fully Disclosed Account or from the Introducing Broker for a Client's Fully Disclosed Account. For orders transmitted to IB LUX by the Introducing Broker, Introducing Broker is solely responsible for determining whether such orders are properly authorised by the Client and IB LUX will not contact the Client to verify or confirm, prior to execution, orders sent to IB LUX by the Introducing Broker. For orders transmitted to IB LUX by the Introducing Broker, Introducing Broker shall be solely responsible for any errors in the transmission of such orders.
 - 9.2. IB LUX shall be responsible for screening orders to make sure that such orders are within the risk management limits for the Fully Disclosed Accounts.
 - 9.3. IB LUX shall process instructions received from Clients (or from Introducing Broker on behalf of Clients) with respect to voluntary corporate actions (e.g. exchange offers, rights offerings, warrants, tender offers) involving the Fully Disclosed Accounts.

- 9.4. IB LUX is authorised to accept any account instructions received from the Introducing Broker related to a Client's Fully Disclosed Account, including but not limited to account instructions to view, update or change account information, account settings, passwords or security/account access information and products to be traded; to issue payments, wires and transfers to Clients and third parties; to freeze, limit or restrict access to client accounts or funds, to vote shares and make elections regarding positions and to participate in special programs and investments. Introducing Broker is solely responsible for determining whether such instructions are properly authorised by the Client and IB LUX is not required to contact the Client to verify or confirm instructions submitted to IB LUX by the Introducing Broker before effectuating those instructions.
10. **Client Support:** Introducing Broker shall be responsible for providing all customer service and technical support to Clients. IB LUX will provide necessary information and assistance to Introducing Broker to assist Introducing Broker in fulfilling this obligation. Disputes and issues concerning IB LUX's performance of its responsibilities for Fully Disclosed Accounts (e.g. questions relating to execution, margin and credit issues, etc.) will be forwarded to IB LUX by the Introducing Broker and will be addressed by IB LUX and/or its affiliates and the resolution communicated to Introducing Broker. Introducing Broker shall have no authority to bind IB LUX or to enter into any agreement, understanding or commitment giving rise to any liability or obligation of IB LUX.
11. **Execution, Clearing and Settlement:** IB LUX or its affiliates, as applicable, shall execute orders and clear and settle transactions executed for the Fully Disclosed Accounts, pursuant to the terms and conditions of this Agreement and Applicable Laws.
12. **Commissions and Fees:**
- 12.1. In order to apply to become an Introducing Broker, IB LUX requires the Introducing Broker to provide a USD 10,000 application deposit. This USD 10,000 deposit shall be placed in the Introducing Broker's proprietary account with IB LUX. Upon approval of the Introducing Broker's application, it is expected that this deposit will be applied against the first USD 10,000 in commissions/clearing fees incurred. If the Introducing Broker does not complete its application, the deposit will not be refunded. If IB LUX rejects the Introducing Broker's completed application, or if IB LUX's and/or its affiliates' regulators do not approve the Introducing Broker's participation as an introducing broker, the deposit will be refunded.
- 12.2. Introducing Broker shall notify IB LUX of the commission rates applicable to transactions for the Fully Disclosed Accounts. Commission rates for Fully Disclosed Accounts shall be no lower than the standard commission rates published on the IB LUX website. Introducing Broker is responsible for notifying Client of the commission rates for Fully Disclosed Accounts and any fees applicable to the Fully Disclosed Accounts. Introducing Broker represents and warrants that the commission rates for Fully Disclosed Accounts shall be commercially reasonable and shall comply with all Applicable Laws.
- 12.3. IB LUX shall deduct applicable commissions and fees from the Fully Disclosed Accounts. Introducing Broker represents and warrants that all commissions and fees charged by the Introducing Broker to any Client have been or will be clearly and completely disclosed to the Client. Introducing Broker further represents and warrants that its commissions and fees shall be commercially reasonable and shall comply with all Applicable Laws.

- 12.4. IB LUX shall calculate and retain IB LUX's and/or its affiliates' share of the commissions and fees collected for transactions in the Fully Disclosed Accounts. Introducing Broker's commissions and fees collected by IB LUX for the Fully Disclosed Accounts shall be remitted periodically to the Introducing Broker. Introducing Broker agrees to return to IB LUX immediately any funds of any kind erroneously or improperly remitted to Introducing Broker by IB LUX. In the event that funds in a Fully Disclosed Account are insufficient to pay IB LUX's portion of commissions and fees and Introducing Broker's portion, IB LUX's portion shall be paid first.
13. **Confirmations and Statements:** IB LUX generally shall be responsible for providing confirmations and account statements to Clients. However, Introducing Broker is solely responsible to deliver to Fully Disclosed Client the statement detailing the aggregated amount of costs and charges received by the Introducing Broker in relation to the services provided by Introducing Broker to the Fully Disclosed Account. A copy of the statement is made available to Introducing Broker in Account Management.
14. **Books and Records:**
- 14.1. IB LUX and/or its affiliates shall be responsible for maintaining required books and records including, without limitation, account documentation required for a brokerage account and for trading the products requested by Client, in connection with the Fully Disclosed Accounts. If Introducing Broker is required under its home country laws and regulations or the home country laws and regulations of the Client to maintain additional books and records, Introducing Broker shall do so.
- 14.2. Introducing Broker shall have access to account information regarding the Fully Disclosed Accounts introduced by Introducing Broker.
- 14.3. Introducing Broker agrees that IB LUX or its affiliates may furnish complaints regarding Introducing Broker to Introducing Broker's regulators or other relevant authorities, if they, in their sole discretion, determine that such action is appropriate.
15. **Client Agreements:** Nothing in this Agreement shall be deemed to alter or supersede the rights of IB LUX and/or its affiliates pursuant to the agreements entered with Fully Disclosed Clients ("**Client Agreements**"). IB LUX retains complete discretion in determining whether to approve account applications from prospective Clients, to suspend or terminate Client Accounts, to handle and resolve disputes with Clients, and to take any other action with respect to Clients or Clients' Fully Disclosed Accounts under the relevant Client Agreements.
16. **Introducing Broker's Proprietary Accounts:** Introducing Broker acknowledges that a separate account that may be used to receive commissions and fees and hold any proprietary funds and positions of the Introducing Broker, may not be treated as a Fully Disclosed account for the purpose of this Agreement. If Introducing Broker maintains a proprietary account with IB LUX, such account shall be subject to the terms and conditions of the IB LUX Client Agreement, which is incorporated herein by reference.
17. **Representations and Warranties:**
- 17.1. Introducing Broker represents that Introducing Broker is authorized pursuant to its articles of incorporation, charter, by-laws, operating agreement or other governing document(s) and Applicable Laws to: (1) retain the services of IB LUX; (2) enter into this Agreement; (3) engage in the securities, options, futures, and other investment transactions to be effected through the Fully Disclosed Account; (4) effect such transactions on behalf of Introducing Broker's Clients; and (5) engage in all other transactions and activities contemplated by this Agreement.

17.2. Introducing Broker represents that all information provided by the Introducing Broker to IB LUX in the account application and during the account approval process is true and correct.

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

17.4. Introducing Broker represents that Introducing Broker and its officers, directors and employees are now, and shall remain, in compliance with Applicable Laws. Introducing Broker shall comply with whatever non-member access rules have been promulgated by any exchange for which Introducing Broker transmits orders.

17.5. Introducing Broker represents that there are no civil or criminal complaints, investigations, proceedings, actions or suits pending against or involving Introducing Broker or any of Introducing Broker's officers, directors, or employees: (1) which allege any violation by Introducing Broker of any of the criminal, securities, or commodities laws or regulations of any jurisdiction, regulatory or self-regulatory organisation, or exchange and (2) which, if decided, would have a material, adverse effect on the ability of Introducing Broker to fulfil its obligations under this Agreement.

18. **Reporting:**

18.1. **Disciplinary Action, Suspension, or Restriction:** Introducing Broker shall immediately notify IB LUX if Introducing Broker becomes subject to any disciplinary action, suspension or restriction imposed by any agency, regulatory or self-regulatory organisation, or exchange that would materially and adversely affect Introducing Broker's ability to fulfil its obligations hereunder, and shall promptly provide to IB LUX a copy of any decision relating to such disciplinary action, suspension, or restriction. Introducing Broker also shall immediately notify IB LUX of any other restriction on its activities with respect to the Fully Disclosed Accounts or Clients. In either of these events, IB LUX may take any action it deems to be necessary: (1) to assure itself that Introducing Broker will continue to comply with Applicable Laws notwithstanding such action, suspension or restriction, and (2) to comply with any requests, directives, or demands made upon IB LUX or its affiliate by any agency, regulatory or self-regulatory organisation, or exchange.

18.2. **Requests for Information and Cooperation with Inquiries:** Introducing Broker agrees to cooperate fully with, and shall comply with all appropriate requests for information arising from, any enquiry or investigation by IB LUX and/or its affiliates or any agency, regulatory or self-regulatory organisation, or exchange regarding any activities of Introducing Broker or of Clients.

19. **Data Protection and Confidentiality of Information:**

- 19.1. In accordance with the provisions of the EU Regulation n°2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (“**GDPR**”) and any data protection law applicable in Luxembourg (including but not limited to the law of 1st August 2018 on the organisation of the National Commission for Data Protection and the general regime on data protection, as may be amended or replaced) (collectively hereinafter the “**Data Protection Laws**”) IB LUX may collect, store, and process information (including personal data and special categories of personal data, each as defined in GDPR, about Introducing Broker or, if Introducing Broker is a legal entity, Introducing Broker’s directors, shareholders, beneficial owners, employees, officers, agents or clients as necessary. Introducing Broker and IB LUX will each treat as confidential (both during and after the termination of the relationship between Introducing Broker and IB LUX) any information learned about the other in the course of the relationship pursuant to this Agreement and, except as otherwise agreed herein or as set out in the Interactive Brokers Group Privacy Policy, shall not disclose the same to any third party without the other’s consent.
- 19.2. Introducing Broker acknowledges the Interactive Brokers Group Privacy Policy published on the IB LUX website and Introducing Broker is informed of the collection/ use of Introducing Broker’s information as described therein and that with respect to the personal data processed by IB LUX to provide services to Introducing Broker, any reference to IBKR in the Interactive Group Privacy Policy is to be read as a specific reference to IB LUX.
- 19.3. **Introducing Broker’s Consent to the Transfer of Personal Data Outside Luxembourg**: Introducing Broker acknowledges and hereby irrevocably authorises and instructs IB LUX and its directors, officers, employees and agents (“**Authorised Persons**”) to disclose and transmit in accordance with Article 41(1) of the applicable Law of 5 April 1993 on the financial sector, as amended (“**LFS**”), to IB LUX affiliates and third party service providers, without delay and without having to revert beforehand to Introducing Broker, personal data as further detailed in section 20.5 (the “**Data**”) to the extent that the Authorised Persons deem such disclosure or transmission to be necessary or desirable in the context as further detailed in section 20.4 (the “**Context**”) below.
- 19.4. **Context**: IB LUX may rely on third party service providers for the provision of specific services (the “**Addressee**”). Such services include the following: audit, consultancy services, legal advice, regulatory, market access, data provision, identity verification, customer services, portfolio review, payment processing, tax services, employee track, banking, clearing and custody services. In this context, IB LUX has entered into outsourcing or relevant contractual arrangements with the Addressees. In order to enable the Addressees to execute their tasks, IB LUX has to communicate or enable access to data relating to Introducing Broker to/by the Addressees. Introducing Broker expressly consents to the reliance on the Addressees in this context.
- 19.5. **Data that may be Transferred to the Addressee**: The Data may include, but are not limited to:
- 19.6. Name, physical address, nationality, main business activity of Introducing Broker and any other information that has been provided by Introducing Broker to IB LUX in the account opening documentation or during the provision of services to Introducing Broker.
- 19.7. Name, physical address, nationality of the ultimate beneficial owners/officers/authorised representatives of Introducing Broker and any other information pertaining to them that has been provided by Introducing Broker to IB LUX in the account opening documentation or during the provision of services to Introducing Broker.

- 19.8. **List of Addressees:** *Inter alia* IB affiliates, consultants, law firms and legal counsels, auditors, regulators, exchanges, market data providers, identity verification providers, portfolio review software providers, payment processors, clearing houses, tax authorities, employee track vendors, banks and any other physical or legal person who might be identified by the Authorised Persons as being necessary or desirable for the provision of IB LUX's services to Introducing Broker or any other directly or indirectly related reason.
- 19.9. **Place of Establishment of the Addressees:** The Addressees are located in various jurisdictions which may include non EU countries. Addressees are mainly located in the jurisdictions where the IB Group has a physical presence. A list of such jurisdictions is available on the IB LUX website. Further details can be provided upon request.
- 19.10. **Duration of Introducing Broker's Consent:** The present consent/instruction shall remain in full force and effect as long as Introducing Broker maintains a business relationship with IB LUX, and after, for as long as required for IB LUX to comply with Applicable Laws. This consent/instruction remains valid in the event of Introducing Broker's insolvency or incapacity to act, until revoked by the latter's heirs or successors.
- 19.11. Notwithstanding the above, even after the termination of the business relationship between Introducing Broker and IB LUX, Data which fell within the scope of or was transferred by virtue of this consent/instruction prior to such termination, will remain subject to this consent/instruction. This authorisation may be revoked by the parties at any time by registered letter addressed to IB LUX.
- 19.12. **Miscellaneous:** Introducing Broker hereby acknowledges that the transfer of the Data to the Addressee under the present consent/instruction does not result in any breach by IB LUX of its professional secrecy obligation.
- 19.13. Introducing Broker irrevocably waives any claim it might have under any Applicable Law against any Authorised Persons and/or IB LUX for disclosing Data in the Context to the Addressee. Introducing Broker also agrees that the Authorised Persons and/or IB LUX shall not be liable in respect of any loss, damage or expense of whatsoever nature that might be caused by the above-mentioned disclosure, communication or transmission of Data, except in case of gross negligence or willful misconduct.

19.14. Introducing Broker undertakes to inform any beneficial owner, officer and/or authorised representative of Introducing Broker about the existence and content of the present consent/instruction and commits and undertakes (*se porte-fort*) to obtain their consent to the transfer of Data pertaining to them to the Addressee, as contemplated under the present consent/instruction, and that they will comply with all the provisions of this consent/instruction. In any case, Introducing Broker acknowledges and warrants that IB LUX can validly assume that, if Introducing Broker accepts the terms of this Agreement, any beneficial owner, officer and/or authorised representative of Introducing Broker has been properly informed and has accepted the transfer of Data pertaining to him to the Addressee, as contemplated under the present consent/instruction, and will comply with all the provisions of this consent/instruction. It is Introducing Broker's sole responsibility to ensure that the above is complied with by any beneficial owner, officer and/or authorised representative of Introducing Broker. Introducing Broker unconditionally and irrevocably agrees to indemnify and hold harmless IB LUX from and against any and all liabilities resulting from, and/or arising in connection with any claim against IB LUX for non-compliance for any reason with the aforementioned obligation to inform and obtain the consent of any of its beneficial owner, officer and/or authorised representative.

19.15. **Telephone Conversations and Electronic Communications:** Introducing Broker consents to the recording of all telephone conversations. Introducing Broker agrees that IB LUX (its affiliates or representatives) may contact Introducing Broker by telephone as required and appropriate under this Agreement. To the extent permitted under Applicable Laws IB LUX, its affiliates or any other person appointed by IB LUX may access, review, disclose, monitor and/or record verbal and electronic messaging and communications (including email, instant messaging, facsimile, telephone and other electronic communications) with Introducing Broker or Introducing Broker's agent. The recordings may be used as evidence if there is a dispute. Where required under Applicable Laws, a copy of records relating to telephone and electronic communications will be available to Introducing Broker upon request (provided that a charge may be payable), for a period of 5 years and, where requested by the competent authority, for a period of up to 7 years. IB LUX will retain such records in accordance with its procedures which may change from time to time in its absolute discretion. Introducing Broker should not expect to be able to rely on IB LUX to comply with Introducing Broker's record keeping obligations.

20. **Anti-Money Laundering and Related Obligations:**

20.1. **Introducing Broker's AML Responsibilities:**

20.1.1. **Acknowledgment of AML Obligations:** Introducing Broker hereby agrees and acknowledges that it is obligated to, and hereby represents and warrants that it now does and will continue to, comply with all applicable anti-money laundering ("**AML**") laws and regulations ("**AML Laws**").

20.1.2. **AML Program:** Introducing Broker has established, maintains and enforces an AML program of written internal policies, procedures and controls including, without limitation: (1) written procedures and a means for monitoring for, identifying and reporting suspicious activity through Introducing Brokers' Accounts; (2) an ongoing employee AML training program; (3) an independent audit function to test its AML program annually; and (4) any additional requirements of any governmental, regulatory or self-regulatory body with jurisdiction over Introducing Broker.

20.1.3. **Knowledge of IB LUX's AML Policies and Procedures:** Introducing Broker agrees to become familiar with any of IB LUX's AML policies and procedures relayed to Introducing Broker and to abide by them.

20.1.4. **Surveillance and Suspicious Activity Reporting:** Introducing Broker shall conduct surveillance of the activity in the Accounts including, without limitation, reviewing

account activity for the purpose of detecting suspicious transactions or other account activity that may involve money laundering, terrorist activity or other illegal conduct. Introducing Broker shall notify IB LUX's AML Compliance Officer regarding any account activity Introducing Broker knows or has reason to suspect: involves funds related to money laundering, terrorist activity or any other illegal conduct; is intended or conducted in order to hide or disguise funds or assets derived from illegal activity; is designed to evade laws or regulations; involves the use of IB LUX or the Introducing Broker to facilitate criminal activity; is not legitimate, has no business or apparent purpose or is not the sort of transactions in which the particular Client would normally be expected to engage (and there is no reasonable explanation therefor); is otherwise suspicious; or could support the filing of a suspicious activity report ("**SAR**") of any kind. Such notice shall be provided by the Introducing Broker as soon as practical after identifying the activity and, in any event, prior to filing a SAR. Introducing Broker shall communicate with IB LUX about the account activity for the purposes of sharing information about the activity and shall provide IB LUX with any information or documentation regarding the activity, the responsible Client or related persons that IB LUX, in its sole discretion, believes is necessary or appropriate to fulfil its obligations. Introducing Broker shall provide IB LUX with copies of all SARs and other communications it files with any exchange or governmental, regulatory or self-regulatory body regarding the activity. Introducing Broker shall take any action that IB LUX may request in connection with such activity, whether the activity was detected by Introducing Broker or IB LUX.

- 20.1.5. **Recordkeeping:** Introducing Broker shall make and maintain accurate records of its surveillance activities and other actions related to its AML procedures. Upon request, Introducing Broker shall submit copies of such records to IB LUX or any proper exchange or any federal or state regulatory or self-regulatory authority.

20.2. **IB LUX's AML Responsibilities:**

- 20.2.1. **Client Identification:** The IB LUX electronic account application system shall be programmed to require new applicants for Introducing Broker Client accounts to provide specified identification information and IB LUX shall perform certain procedures designed to verify the identity of each applicant for an Introducing Broker Client account through documentary and/or non-documentary means (to the extent reasonable and practicable and in accordance with the AML Laws) before or within a reasonable time after the account has been opened. Such means may vary from time to time, in IB LUX's sole discretion. Introducing Broker acknowledges that IB LUX may use a third party service provider for verification of Client's identification and shall not be liable, in any way, for any errors or omissions made by such third party vendor.
- 20.2.2. **Negative Information Checks:** The IB LUX electronic account application system shall be programmed to electronically check the names of applicants for Introducing Broker Client accounts against the names on IB LUX's database of names appearing on required governmental or SRO "watch lists" and shall maintain procedures for addressing any potential matches thereto. Introducing Broker acknowledges that IB LUX compiles its database from lists provided by third party sources and relies thereon and IB LUX (including its affiliates) shall not be held liable for any errors or omissions in such lists. Introducing Broker shall cooperate fully with any request made by IB LUX or any regulatory or self-regulatory authority in their efforts to determine whether there is an actual match between an Introducing Broker Client and a name on a relevant list or whether the account would be subject to any sanction or restriction. Introducing Broker also shall implement any action determined by IB LUX or such authorities to be necessary or appropriate under the circumstances.
- 20.2.3. **Surveillance and Suspicious Activity Reporting:** IB LUX shall operate various automated surveillance programs that are designed to detect suspicious transactions and activity that may involve money laundering, terrorist activity or other illegal conduct. The actual systems and tools used by IB LUX for these purposes may vary from time to time, at IB LUX's discretion. Where IB LUX believes that it is necessary

or appropriate to do so, IB LUX and/or its affiliates will file a report with appropriate authorities. By conducting such surveillance and filing such reports, IB LUX does not thereby assume any responsibility of the Introducing Broker for conducting surveillance of the activity in the accounts of the Clients nor to report any suspicious activity therein under any other law or regulation.

20.3. **Liability and Indemnity:**

20.3.1. **Limitation on Liability:** Introducing Broker recognises that the AML Laws do not prescribe a particular method to verify a Client's identity, that there is no full-proof method of doing so and that IB LUX is not required to determine the veracity of documents provided by Clients to verify their identity. Accordingly, IB LUX and its affiliates shall not be liable under any circumstances for any loss or damages incurred by Introducing Broker or Clients in relation to the verification of the identification of Introducing Broker's Clients. Similarly, the AML Laws do not prescribe a particular method to conduct surveillance in Client accounts for suspicious activity, there is no full-proof method for doing so and IB LUX and its affiliates are not obligated to review each and every Client transaction. Accordingly, IB LUX and its affiliates shall not be liable under any circumstances for any loss or damage incurred by Introducing Broker or Clients as a result of its failure to detect particular suspicious transactions or account activity or patterns thereof. In no event shall any liability (with respect to IB LUX's obligations under section 21.2) be imposed on IB LUX or any of its affiliates, regardless of the form of action and damages suffered by Introducing Broker exceed the highest aggregate monthly commissions and fees paid by introduced Clients to IB LUX. Under no circumstances shall IB LUX or any of its affiliates be liable for any punitive, indirect, incidental, special or consequential loss or damages, including loss of business, profits or goodwill.

21. **Event of Default:**

- 21.1. An "Event of Default" hereunder shall occur automatically, without notice from IB LUX if: (1) Introducing Broker breaches, repudiates, or defaults in any way on any agreement with IB LUX; (2) IB LUX, in its sole discretion, determines that it has sufficient grounds for insecurity with respect to Introducing Broker's performance of any obligation to any person and, immediately after demand, Introducing Broker fails to provide assurance of performance of the obligation satisfactory to IB LUX; (3) any proceedings are commenced by or against Introducing Broker under any bankruptcy, insolvency, relief of debtors, or similar law; (4) Introducing Broker makes an assignment for the benefit of creditors; (5) a receiver, trustee, conservator, liquidator, or similar officer is appointed for Introducing Broker or any of Introducing Broker's property; (6) any of Introducing Broker's representations to IB LUX, whenever or wherever made, were misleading when made or later become untrue; (7) Introducing Broker or any organisation of which Introducing Broker is a member suspends or threatens to suspend the transaction of its usual business; (8) any proceeding is commenced with respect to any of Introducing Broker's property or any such organisation; or (9) IB LUX has reason to believe that any of the foregoing is likely to occur imminently.
- 21.2. Introducing Broker absolutely and unconditionally agrees that, after the occurrence of an Event of Default, IB LUX is authorised to terminate any or all of IB LUX's (including its affiliates') obligations to Introducing Broker for future performance.
- 21.3. Introducing Broker shall indemnify IB LUX and its affiliates, and hold IB LUX and its affiliates, harmless for all actions, omissions, costs, expenses (including attorneys' fees), losses, penalties, claims or liabilities, which IB LUX or its affiliates incur in connection with: (1) the exercise of any remedy, (2) the care of collateral and defending or asserting the rights and claims of IB LUX or its affiliates in respect thereof, and (3) meeting any obligation of IB LUX or its affiliates which it fails to perform by reason of an Event of Default.

22. **License to Use Interactive Software and Related Restrictions:** IB LUX and/or its affiliates grant to Introducing Broker and Introducing Broker accepts a non-exclusive and non-transferable license to use their proprietary software to communicate with the Interactive System ("**Interactive Software**") and to utilise the services contemplated herein. Title to the Interactive Software shall remain the sole property of IB LUX and its affiliates, including without limitation, all applicable rights to patents, copyrights and trademarks. Introducing Broker shall secure and protect the Interactive Software in a manner consistent with the maintenance of IB LUX's and its affiliates' ownership and rights therein and shall not sell, exchange, or otherwise transfer the Interactive Software to others. IB LUX and its affiliates shall be entitled to obtain immediate injunctive relief against threatened breaches of the foregoing undertakings. Introducing Broker shall not copy, modify, translate, decompile, reverse engineer, disassemble or otherwise reduce to a human readable form, or adapt, the Interactive Software or use it to create a derivative work, unless authorised in writing to do so by an officer of IB LUX and confirmed by IB LUX's secretary. Any updates, replacements, revisions, enhancements, additions or conversions to the Interactive Software supplied to Introducing Broker by IB LUX shall become subject to this Agreement.

23. **Liability and Indemnity:**

23.1. LIMITATION OF IB LUX'S AND ITS AFFILIATES' LIABILITY TO INTRODUCING BROKER:

23.2. UNDER NO CIRCUMSTANCES SHALL IB LUX OR ANY OF ITS AFFILIATES BE LIABLE FOR ANY PUNITIVE, INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL LOSS OR DAMAGES, INCLUDING LOSS OF BUSINESS, PROFITS OR GOODWILL UNLESS ARISING DIRECTLY FROM ITS FRAUD OR CAUSING PERSONAL BODILY INJURY OR DEATH. IN NO EVENT SHALL IB LUX'S LIABILITY, INCLUDING ITS AFFILAITES, REGARDLESS OF THE FORM OF ACTION AND DAMAGES SUFFERED BY INTRODUCING BROKER, EXCEED THE HIGHEST AGGREGATE MONTHLY COMMISSIONS AND FEES PAID BY INTRODUCED CLIENTS TO IB LUX.

23.3. INTRODUCING BROKER ACCEPTS IB LUX'S AND ITS AFFILATE'S TECHNOLOGY, SOFTWARE (INCLUDING THE INTERACTIVE SOFTWARE) AND TRADING SYSTEM ("**INTERACTIVE SYSTEM**") "AS IS", AND WITHOUT WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE, PURPOSE OR APPLICATION; TIMELINESS; FREEDOM FROM INTERRUPTION; OR ANY IMPLIED WARRANTIES ARISING FROM TRADE USAGE, COURSE OF DEALING OR COURSE OF PERFORMANCE. IB LUX AND ITS AFFILIATES SHALL NOT BE LIABLE TO INTRODUCING BROKER BY REASON OF DELAYS OR INTERRUPTIONS OF SERVICE OR TRANSMISSIONS, OR FAILURES OF PERFORMANCE OF THE INTERACTIVE SYSTEM, REGARDLESS OF CAUSE, INCLUDING, BUT NOT LIMITED TO, THOSE CAUSED BY HARDWARE OR SOFTWARE MALFUNCTION; GOVERNMENTAL, EXCHANGE OR OTHER REGULATORY ACTION; ACTS OF GOD; WAR; TERRORISM; OR IB LUX'S OR ITS AFFILIATES' INTENTIONAL ACTS. INTRODUCING BROKER RECOGNISES THAT THERE MAY BE DELAYS OR INTERRUPTIONS IN THE USE OF THE INTERACTIVE SYSTEM, INCLUDING, FOR EXAMPLE, THOSE CAUSED INTENTIONALLY BY IB LUX AND ITS AFFILIATES FOR PURPOSES OF SERVICING THE SYSTEM. INTRODUCING BROKER ACKNOWLEDGES THAT CLIENTS ARE RESPONSIBLE FOR MAINTAINING ALTERNATIVE TRADING ARRANGEMENTS IN ADDITION TO THEIR FULLY DISCLOSED ACCOUNT.

23.4. **Indemnification of IB LUX by Introducing Broker:** Introducing Broker shall indemnify, defend and agree to hold IB LUX, its affiliates, their respective successors and assigns, and their respective directors, officers, employees and agents ("**IB LUX Indemnitees**") harmless from and against any and all claims, demands, proceedings, suits and actions, of any kind, made at any time, by any person or entity (including, but not limited to, Clients or regulatory or self-regulatory authorities) for any penalties, damages, costs, judgments, attorneys' fees or any other expenses incurred in connection with Introducing Broker's actions or inactions involving the Fully Disclosed Accounts or any of the Clients or any other transaction or

activity contemplated by this Agreement. Errors, misunderstandings, controversies or disputes involving former, current, or potential Clients of Introducing Broker shall be Introducing Broker's sole responsibility and liability. Notwithstanding the foregoing, Introducing Broker shall not be obligated to indemnify IB LUX for any penalties, damages, costs, judgments, attorneys' fees or other expenses that are incurred solely as a result of, solely arise out of, or are imposed solely due to IB LUX's or its affiliates' fraud, wilful misconduct or gross negligence. These indemnification provisions shall remain operative and in full force after termination of this Agreement.

23.5. **Defence of Third Party Claims:** If within ten (10) business days after receiving written notice of any claim, demand, proceeding, suit or action with respect to which IB LUX Indemnitees may have any claim to indemnification under this Agreement, Introducing Broker shall fail to institute the defence of IB LUX Indemnitees in connection with such claim, demand, proceeding, suit or action, or if thereafter Introducing Broker shall fail diligently to prosecute such defence, IB LUX shall have the right, but not the obligation, to defend such action. The costs and expenses, including reasonable attorneys' fees, associated with such a defence shall be borne by Introducing Broker. Neither the exercise of the right to participate in or assume the responsibility for any such defence nor the failure to exercise such rights shall limit, in any way, IB LUX Indemnitees' rights to indemnification under this Agreement. IB LUX Indemnitees shall have the right to select its counsel in connection with any claim or proceeding for which indemnification is provided. Introducing Broker shall not settle any claim, demand, proceeding, suit or action against IB LUX Indemnitees without the prior written consent of IB LUX Indemnitees.

24. **Relationship between the Parties:**

24.1. This Agreement does not and shall not be deemed to constitute a partnership or joint venture between the Parties. Neither Introducing Broker nor any of its officers, directors, employees or representatives are employees or agents of IB LUX, nor shall they hold themselves out as such. Introducing Broker has no authority to make any representations or give any warranties on IB LUX's behalf and shall not make any such representations or give any such warranties. Introducing Broker shall have no authority to bind IB LUX or any of its affiliates, or to enter into any agreement, understanding or commitment giving rise to any liability or obligation of IB LUX or any of its affiliates.

24.2. Nothing in this Agreement shall be construed to prevent Introducing Broker from competing with IB LUX or to prevent Introducing Broker from doing business with Clients exclusive of IB LUX and outside the terms of this Agreement. Nothing in this Agreement shall be construed to prevent IB LUX or its affiliates from competing with Introducing Broker or to prevent IB LUX or its affiliates from doing business with Clients exclusive of Introducing Broker and outside the terms of this Agreement.

25. **Transfer of Accounts:** In the event of a potential transfer by IB LUX of any positions in any Fully Disclosed Account pursuant to this Agreement, Introducing Broker shall promptly provide IB LUX with written notice of the name of the broker-dealer to whom such positions are to be transferred, the anticipated date on which it shall commence acting as executing and/or clearing broker with respect to the Fully Disclosed Account and the name of the individual within that organisation that IB LUX can contact to coordinate the transfer.

26. **Termination of the Agreement:**

26.1. Either party may terminate this Agreement and/or Introducing Broker's use of the Interactive System at any time, in its sole discretion. Termination of this Agreement shall not be deemed to terminate the agreements in effect between IB LUX and/or its affiliates and the Clients, or the Accounts of the Clients.

26.2. Termination of this Agreement shall not release the Parties from any liability or responsibility with respect to transactions occurring prior to the effective date of such termination, whether or not claims relating to such transaction shall have been made before or after such termination.

26.3. Sections 19.2, 20, 21.3, 22 and 24 shall survive any termination of this Agreement.

27. **Treatment of Introducing Broker:** IB LUX shall treat the Introducing Broker as a professional client under the LFS as amended.
28. **Treatment of Fully Disclosed Clients:** IB LUX shall treat the Clients as retail clients under the LFS, unless Clients have been specifically notified in writing to the contrary.
29. **Complaints:** All formal complaints should be made using one of the following means: (i) by WebTicket in Account Management on the IB LUX website; (ii) by letter to Complaints Handling, Compliance Department, Interactive Brokers Luxembourg SARL - 4, Rue Robert Stuemper, I-2557 Luxembourg. A summary of the IB LUX Internal Complaint Handling Procedures is made available through the IB LUX website.
- 29.1. **Out-of-Court Complaint Resolution:** The CSSF is competent to receive complaints from Introducing Broker related to the provision of the services that are subject to the CSSF's supervision and to act as an intermediary in order to seek an amicable settlement. The CSSF will only consider complaints for regulated activities and therefore may or may not consider complaints in respect of OTC Precious Metals transactions and certain Forex transaction depending on how the transactions are characterised by the CSSF. Opening an out-of-court complaint resolution procedure with the CSSF is subject to the condition that the complaint has been dealt with by IB LUX under the rules of the CSSF. The CSSF service is provided free of charge to complainants. The mission of the CSSF consists in assisting the parties concerned to reach an amicable settlement in the conflict opposing them. However, the reasoned conclusions of the CSSF are not binding on the parties. More information is available on the CSSF website <http://www.cssf.lu/en/consumer/complaints/>.
- 29.2. **Luxembourg Investor Compensation Scheme:** IB LUX is a participant in the Systeme d'Indemnisation des Investisseurs Luxembourg (Luxembourg Investor Compensation Scheme, "SIIIL") managed and administered by the Conseil de protection des déposants et des investisseurs (Council for the Protection of Depositors and Investors, "CPDI"), which is a body within the CSSF. Introducing Broker may be entitled to compensation from the scheme in the unlikely event IB LUX cannot meet its obligations. This depends on the type of business and the circumstances of the claim. SIIIL coverage is restricted to designated investments and may or may not cover investments in OTC Precious Metals and certain Forex transactions, depending on how the transactions are characterised under the SIIIL. Payments to eligible claimants under the SIIIL will vary depending on the type of protected claim that the claimant has. Article 195, section 2 of the law of 18 December 2015, as amended, on default by credit institutions and certain investment companies lists the claims resulting from investment transactions that are not entitled to SIIIL protection. For more information visit <http://www.cssf.lu/>.
30. **Language:** Introducing Broker agrees to the provision of this Agreement in English and represents that Introducing Broker understands all of the terms and conditions contained herein.
31. **Applicable Law; Jurisdiction; Service of Process:** This Agreement shall be governed by, and construed in all respects in accordance with the laws of the Grand Duchy of Luxembourg and subject to the exclusive jurisdiction of the Luxembourg Courts, unless otherwise provided by law. Introducing Broker hereby irrevocably and unconditionally submits itself to the personal jurisdiction of the Luxembourg Courts. Introducing Broker waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of venue of any action, suit or proceeding arising out of or in connection with this Agreement brought in the Courts located in the Grand Duchy of Luxembourg. Introducing Broker further hereby irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum. In all judicial actions, arbitrations, or dispute resolution methods, the Parties waive any right to punitive damages. Introducing Broker irrevocably and unconditionally agrees to accept service of process

regarding any action, suit or proceeding brought in any court identified above by first class mail or courier service delivered to Introducing Broker's address. If Introducing Broker changes its address it shall notify IB LUX immediately and Introducing Broker shall thereafter accept service of process as specified herein at its new address. In the event that the Courts of Luxembourg cannot assert jurisdiction over Introducing Broker or a claim against Introducing Broker, or in the event that IB LUX must by law enforce a judgment against Introducing Broker other than in Luxembourg, Introducing Broker irrevocably and unconditionally submits itself to the personal jurisdiction of the Courts of Introducing Broker's home country or the country in which the suit must be brought or the judgment enforced. In such case Introducing Broker waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of venue of any action, suit or proceeding arising out of or in connection with this Agreement brought in such jurisdiction. Introducing Broker further hereby irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.

32. **Entire Agreement:** The Parties acknowledge that they have not made any oral or written representations or warranties other than set forth herein. This Agreement supersedes any prior agreement executed by Introducing Broker.
33. **Amendments:** No provision of this Agreement can be waived, altered, modified or amended, on an individual basis, unless such waiver, alteration, modification or amendment is committed to in writing and signed by a duly authorised officer of IB LUX and confirmed, in writing, by IB LUX's secretary.
34. **Captions:** Captions are provided herein for convenience only and are not of substantive effect.
35. **Counterparts:** This Agreement may be executed in counterparts, and all counterparts so executed shall constitute one agreement, binding on the Parties hereto, notwithstanding that the Parties are not signatory to the same counterpart.
36. **No Waiver:** The failure of either party to enforce, at any time, or for any period, any one or more of the terms or conditions of this Agreement or to exercise any right, remedy or privilege shall not be a waiver of such terms, conditions, rights, remedies or privileges or of the right, at any time subsequently, to enforce all terms and conditions of this Agreement or to exercise such rights, remedies or privileges. The enumeration in this Agreement of specific remedies available to IB LUX shall not be exclusive of any other remedies.
37. **Severability:** If any one or more of the provisions of this Agreement shall be held to be invalid, illegal or unenforceable, such provision shall be ineffective only to the extent of such unenforceability, and the validity, legality or enforceability of the remaining provisions of this Agreement shall not be affected thereby.
38. **Successors and Assigns; Third Party Rights:** This Agreement and all of rights and liabilities hereunder shall be binding upon the Parties' respective successors and permitted assigns. All or part of the rights and obligations of IB LUX under this Agreement may be assigned by IB LUX to any affiliate or to another duly registered broker-dealer or futures commission merchant. No assignment may be made by Introducing Broker without the prior, written consent of IB LUX. All of IB LUX's rights and remedies and any limitations on liability hereunder shall inure to the benefit of IB LUX's affiliates and they are hereby designated as third party beneficiaries to this Agreement.
39. **Lien:** Introducing Broker grants IB LUX and its affiliates a lien on all property held at any time by IB LUX or its affiliates to secure any Introducing Broker indebtedness or obligation to IB LUX or its affiliates, and IB LUX or its affiliates, without notice to Introducing Broker, may use, transfer or sell any or all of such property to enforce its lien.
40. **Consent to Accept Electronic Communications:** By entering into this Agreement, Introducing Broker consents to the receipt of electronic records and communications regarding all Introducing Broker transactions and dealings with IB LUX, including confirmations, account statements, messages, and notices of any kind. Electronic records and communications may be sent to Introducing Broker's Trader Workstation, through a Computer-to-Computer Interface or to

Introducing Broker's email address. Introducing Broker may withdraw such consent at any time by hard copy letter delivered via Federal Express or other overnight courier to Interactive Brokers Luxembourg SARL, Director of Compliance, 4, Rue Robert Stuemper, L-2557 Luxembourg, Grand Duchy of Luxembourg.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorised representatives.

Interactive Brokers Luxembourg SARL	Introducing Broker:
Signature:	Signature:
Name: (Please Print)	Name: (Please Print)
Title:	Title:
Date:	Date: