



## **Interactive Brokers LLC Disclosure Regarding IBKR-LITE Commission Structure for Accounts Opened through the IMPACT Application**

The Impact Application (or "Impact App") allows users to open brokerage accounts with Interactive Brokers LLC ("IBKR").

IBKR has elected to initially assign (at account opening) all client brokerage accounts opened through the Impact App ("Impact App Client Accounts") to IBKR's zero-commission "IBKR-LITE" fee model. Impact App Client Accounts have the option to switch to the IBKR-PRO fee model at any time subsequent to account opening in the Account Settings section in the Impact App or IBKR's Client Portal.

IBKR-LITE clients are generally charged zero commission for US exchange-listed stock and ETF trades (subject to certain exceptions; please see the IBKR website at <https://www.interactivebrokers.com/en/index.php?f=1590&p=stocks3> for more details). IBKR-LITE orders for US exchange-listed stocks and ETFs are generally routed to select over-the-counter market-makers ("Market Makers") for handling. IBKR's agreements with the Market Makers provide IBKR payment for order flow ("PFOF") from each Market Maker for trades executed with that Market Maker. IBKR may also route IBKR-LITE orders to another broker, ATS, or exchange (each an "Away Route"), in which case IBKR may collect PFOF for trades executed at or through that Away Route.

Although IBKR's receipt of PFOF may reduce the amount of price improvement that Impact App Client Accounts obtain on their stock and ETF trades (as compared to the price improvement available under IBKR's IBKR-PRO fee model), IBKR believes that the amount that Impact App Client Accounts save by avoiding commissions (as compared to IBKR-PRO) generally more than compensates for any reduction in price improvement. Additionally, as noted above, Impact App Client Accounts have the option to switch to the IBKR-PRO fee model at any time.

For more information on the differences between IBKR's IBKR-LITE and IBKR-PRO offerings, please see IBKR's Order Routing and Payment for Order Flow disclosure and IBKR's website.