



Interactive Brokers Central Europe Zrt

ANNOUNCEMENT

Annex 6 to the GBR:

COMPLAINTS HANDLING

Procedure

Valid from: 14 December 2020

Summary	This Written Supervisory Procedure (WSP) provides clear and up to date information on Interactive Brokers Central Europe Investment Ltd. (IBCE) complaints handling principles procedures. The activity is outsourced to Interactive Brokers LLC (IBLLC)
Author	Head of Compliance (CCO)
Department	Compliance
Scope	This WSP applies to all employees of IBCE without limitation and to all service providers and affiliates of Interactive Brokers Group (IBG) acting for or on behalf of IBCE (hereafter the “affiliates”).
Ratifying Authority	CEO
Effective as from	December 14, 2020
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Document Control

Date	Version	Reason for update	Amendments
November 9, 2020	1.0	WSP first implemented	n/a
December 14, 2020	1.1	Improving the wording of the document	in the full document

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1 ENFORCEMENT

All employees of IBCE are responsible for complying with this Written Supervisory Procedure (WSP). Management is responsible for ensuring adherence to this WSP and for taking appropriate action for employees that do not comply with this WSP requirements. Non-compliance with WSP is a breach of the terms of employment and may lead to disciplinary actions, which include termination of employment, or third-party agreement. Questions regarding the interpretation of this WSP are to be directed to the IBCE CCO.

2 PURPOSE

The purpose of this Complaints Handling WSP is to provide clear and up to date information on IBCE complaints handling process. This WSP allows this process to be implemented in an efficient and transparent manner in line with both, the local legal requirements and those of IBCE.

3 LEGAL / REGULATORY REFERENCE

This ("WSP") is issued pursuant to;

LEGAL REQUIREMENT ID	LEGAL REQUIREMENT DESCRIPTION
Commission Delegated Regulation (EU) 2017/565 of 25 April 2016 supplementing Directive 2014/65/EU as regards organisational requirements and operating conditions for investment firms (Article 26)	Relating to management of complaints by investment firms such as IBCE
Act CXXXVIII of 2007 on Investment Firms and Commodity Dealers, and on the Regulations Governing their Activities	Relating to management of complaints by investment firms such as IBCE
Government Decree 435/2016. (XII. 16.) on rules and procedures for the complaint handling of payment institutions, electronic money issuing institutions, voucher issuers, financial institutions and independent financial intermediaries	Relating to management of complaints by investment firms such as IBCE
MNB Decree 46/2018. (XII. 17.) laying down detailed rules concerning the form and manner in which complaints are to be dealt with by financial institutions	Relating to management of complaints by investment firms such as IBCE
MNB Recommendation 13/2015 (X. 16.) on the complaint handling procedures for financial institutions	Supervisory recommendation relating to management of complaints by investment firms such as IBCE
Act CXII of 2011 on the Right of Informational Self-Determination and on Freedom of Information	Related to data protection (legal protection of personal data)
Regulation (EU) 2016/679 of the European Parliament and of the Council 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, and repealing Directive 95/46/EC (General Data Protection Regulation)	Related to data protection

4 SCOPE

This WSP applies to all employees of IBCE without limitation and to all service providers and affiliates of Interactive Brokers Group (IBG) acting for or on behalf of IBCE (hereafter the "affiliates").

5 KEY ABBREVIATIONS

TERMS	DEFINITIONS
CEO	Chief Executive Officer
CCO	Head of Compliance
FAB	Financial Arbitration Board
IBCE	Interactive Brokers Central Europe Zrt.
IBG	Interactive Brokers Group
MNB	Central Bank of Hungary (Magyar Nemzeti Bank)
WSP	Written Supervisory Procedures

6 ROLES & RESPONSIBILITIES

FUNCTIONS	ROLES & RESPONSIBILITIES
CEO	CEO has the overall responsibility of the Compliance Charter.
CCO	The CCO reviews the Compliance Charter.
Employees	Employees are expected to contribute to the execution of this policy as set forth in this document and in a timely manner.

7 WHAT IS A COMPLAINT?

A complaint is an expression of dissatisfaction made by or on behalf of a client to IBCE where a response or resolution is explicitly or implicitly expected by the complainant.

At times, complaints can be expressed by way of negative feedback, which may not require a resolution or formal follow-up. While IBCE recognizes that this type of feedback is valuable, this WSP does not apply to feedback of this nature.

Requests to address a technical problem, primarily an IT problem, do not constitute a complaint.

8 HOW TO MAKE A COMPLAINT?

A complaint can be made directly to IBCE in written form or verbally.

IBCE publishes this WSP in its premises open to clients and on the opening page of its website (www.interactivebrokers.eu).

IBCE provides written information (this WSP) to the complainants on their complaint handling procedure when acknowledging receipt of a complaint. In the case of a verbal complaint, IBCE draws the complainant's attention to the availability of this WSP.

8.1 WRITTEN COMPLAINT

This can be in the form of the following:

- Via post by means of a signed letter send via post to IBCE (1075 Budapest, Madách Imre út 13-14.), using a form free of formalities or downloaded from the MNB's website. (Form is in Appendix A)
- Email, using a form free of formalities on the following email: ibcecomplaints@interactivebroker.com
- Creation of a Web-ticket in Account management.

Note: The creation of a Web-ticket in Account Management is the preferred IBCE method for logging a complaint as the tickets are processed faster than emails or letters. This does NOT mean however that complaints logged through other means are not handled in a timely manner.

8.2 VERBAL COMPLAINT

A verbal complaint may be made:

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- By telephone: On 36 (80) 088 401 from Monday to Friday from 8:00 to 20:00.

In the case of a verbal complaint made by telephone, an IBCE employee must act in the manner that would normally be expected in a given situation in order to check in live within 5 minutes of the start time of the call being initiated.

An audio recording of a verbal complaint over the telephone is made and must be kept by IBCE for 5 years.

A verbal complaint should be investigated immediately and if possible, remedied, unless this is not possible.

If it is not possible to investigate and remedy the complaint immediately, or if the client does not agree with the handling of the complaint, the complaint transmitted verbally by a client, will be summarised in written form when the client indicates he / she wishes to register a complaint. The verbal complaint is summarised in two copies, one of which will be handed over to the client after signing, repeated back to the client before signing and logged in the clients file and complaints system.

In the case of a complaint submitted by telephone, after completing the summary, IBCE will send a copy of the summary to the complainant together with the response to the complaint. At the client's request, IBCE provides a replay of the audio recording and will provide the transcript of the audio recording or a copy of the audio recording free of charge within the time limit set by law (currently 25 calendar days). The summary of the complaint shall include at least the following:

- the name of the client,
- the client's address/registered office and, if necessary, mailing address,
- the place, time and manner of submitting the complaint,
- the name and address of the company and its intermediary involved in the complaint,
- the detailed description of the complaint, recording each element of the complaint separately,
- the number of the contract affected by the complaint, depending on the case, the client number or other identifier,
- the list of documents and other evidence presented by the client,
- the place and time of the recording of the summary; and

If a complaint is logged by a third party (e.g. family member, introducing broker), IBCE agents will ask that the IBCE client submits the complaint in writing as this will avoid misinterpretation of what the client's issue is. In both instances the client is informed by IBCE that the complaint will be reviewed in line with the IBCE Complaints Policy that is also available on the IB website. The client will also be informed in case IBCE Compliance Function needs additional information.

8.3 HANDLING OF A COMPLAINT

The investigation of the complaint is free of charge. The complaint will be investigated taking into account all relevant circumstances.

When the complaint is received, it goes through the following process:

A written acknowledgement is sent to the client, without undue delay, informing him of the complaint's individual identification number, the next steps and the timeline he / she can expect to get a response to advise the complaint is still being investigated or a final response from IBCE. The deadline for resolving the complaint or informing the complainant is not more than 30 calendar days

If additional information available to the client is required, IBCE will contact the client immediately and obtain it.

If IBCE needs additional information during the complaint handling, the following data and documents can be requested from the clients and can be recorded:

- the name of the complainant;
- contract number, client identifier number given by IBCE;
- the registered office, address and mailing address of the complainant;
- the telephone numbers of the complainant;
- method of notification;
- the product or service complained of;
- description of the complaint, reason;

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- complainant's claim;
 - a copy of the documents in the complainant's possession required in support of the complaint, which are not available at the department handling the complaint;
 - a power of attorney (and details thereof) for a complainant acting through a third party;
 - other data necessary for the investigation and response of the complaint.

Once the complaint has been fully investigated a final response is sent to the client by the complaints team summarising the investigation and providing a detailed explanation of how IBCE reached its final decision. The reply to the client, whether it be positive or negative, must indicate the reasons for the decision, a copy is kept in the clients file and the complaints log must be updated accordingly.

The CCO is assigned to oversee client complaints (responses to clients will be provided under his/her authority and responsibility).

Should the client feel that they did not obtain a satisfactory answer at the level at which the complaint was submitted in the first instance, the client has the right to appeal directly to IBCE Executive Directors. In this respect, the staff member provides a generic email address which is routed to IBCE Executive Directors.

All communications to clients regarding complaints and the complaint process must be in clear and plain language that is easy to understand.

The complainant's personal data are subject to personal data protection regulations, the GDPR and the Infotv. and shall be handled in accordance with IBCE's internal data protection regulations.

9 COMPLAINANT'S RIGHT OF RECOURSE TO THE FAB, MNB OR COURT

If the complaint is rejected or the 30-calendar-day deadline for investigating the complaint is not met, the client may initiate proceedings before the MNB, the FAB or the court.

- If the client seeks an investigation into a breach of consumer protection provisions, he / she may seek redress to the Financial Consumer Protection Centre of the MNB (registered address: 1013 Budapest, Krisztina krt. 39., mailing address: 1534 Budapest, BKKP Pf. 777, phone: +36-80-203-776, e-mail address: ugyfelszolgalat@mnbb.hu, <https://www.mnbb.hu/fogyasztovedelem/penzugyi-panasz#formanyomtatvanyok>), For the request to Financial Consumer Protection Centre of the MNB, please see Appendix B.
- If the client concerns a dispute concerning the conclusion, validity, effects and termination of a contract, as well as a breach of contract and its effects, he / she may seek redress to the FAB (registered office: 1054 Budapest, Szabadság tér 9., customer service: 1013 Budapest, Krisztina krt. 39., mailing address: H-1525 Budapest Pf. 172, phone: +36-80-203-776, e-mail address: ugyfelszolgalat@mnbb.hu, <https://www.mnbb.hu/fogyasztovedelem/penzugyi-panasz#formanyomtatvanyok>) or to the court competent according to the registered office of IBCE. For the request to the FAB, please see Appendix C.

The procedure of the FAB and the MNB can be initiated by anyone who qualifies as a consumer.

A consumer is a natural person who is acting for purposes other than his own occupation and economic activity. It does not qualify as a consumer, therefore the procedure of the FAB or the MNB cannot be initiated by sole proprietors, sole proprietorships, companies, legal entities, organizations without legal personality, condominiums.

If the client is a consumer, and its complaint is rejected by the IBCE, the company will inform the client of the remedies (including the mailing address and telephone number of the MNB and the FAB) in accordance with its reply letter.

In the reply letter, IBCE is obliged to inform the client whether IBCE has made a general submission declaration to the FAB's procedure, by which it has accepted the decision made by the FAB as binding and enforceable.

If the client's complaint concerns the settlement of a consumer dispute related to a product / service purchased with an online sales / online service contract concluded between the client and IBCE (hereinafter: online shopping) and the complaint is rejected, the above-mentioned consumer dispute may be settled out of court. In addition to the remedies available, the client may exercise the following option. After registering on the website

of the online dispute resolution platform set up by the European Union (<http://ec.europa.eu/odr>), the client can initiate an online purchase dispute settlement by filling in an electronic form.

IBCE appointed a contact person who is responsible for consumer protection matters at the company and notified the MNB in writing within 15 days of the person responsible or of any change thereof.

10 MONITORING / REPORTING

It is the responsibility of the authorized employee to make the recording of the complaint and the process of resolving the complaint. The employee is obliged to record the data of the complaint and the resolution process in the complaint management register of the IBCE.

Correspondence and other documentation related to the complaint (electronic and printed), the document containing the complaint and the answer to it must be kept for 5 years and presented at the request of the MNB as a supervisory authority.

IBCE monitors the complaints on the basis of the register of complaints and

- a. group them at reasonable intervals according to their subject matter,
- b. reveals and identifies the facts and events giving rise to the complaint,
- c. examine whether the facts and events set out in point (b) may affect another process, product or service;
- d. initiate proceedings to correct the facts and events identified in (b); and
- e. summarizes recurring or systemic problems and legal risks.

The CCO consults the customer complaints log on a regular basis (at least monthly), and performs the following tasks:

- Review the complaints log to ensure complaints are being logged correctly
- Ensure the complaints procedure is being complied with
- Carry out a root cause analysis on logged complaints to ensure on-going improvements on internal processes and procedures in order to avoid the same mistakes being repeated
- Escalate to Executive Directors immediately if it becomes apparent complaint results from a major deficiency require immediate correction
- Produce a monthly report that is provided to the management including Risk Management.

11 Review and Management Oversight

11.1 Management accountability

IBCE's management body oversees that this WSP provides for the effective handling of complaints within IBCE. IBCE's management body endorses this WSP and must endorse any future updates to it.

11.2 Periodic Reviews

Compliance function reviews periodically the updates on complaints handling.

11.3 Responsibilities of Compliance

The Compliance Function analyses independently the data relating to complaints and complaints handling by IBCE, on an on-going basis, in order to enable the identification and treatment of any recurring or systemic issues, as well as any potential legal and operational risks, for example:

By carrying out an analysis on registered complaints in order to identify the root cause of certain types of complaints and correcting identified issues at source.

By considering whether the root cause may also affect other processes or products, including those to which the complaints do not relate to directly.

Moreover, the IBCE Executive Directors should be informed by the compliance function on an ongoing basis of any recurring or systemic problems as part of their overall oversight on the IBCE Complaints Policy.

12 RECORDS MANAGEMENT

IBCE keeps register about the records of each complaint and the measures for their settlement and resolution, which includes:

- the description of the complaint, indicating the event or fact which is the subject of the complaint,
- the date on which the complaint was lodged,
- the description of the action taken to resolve the complaint, or, in the event of rejection, the reasons for it,
- the time limit for completion of the action and the name of the person responsible for implementation,
- the date on which the reply letter to the complaint was sent.

The retention period of related records is 5 years, in compliance with legal requirements.

Control Name	Complaints monthly Report
Task Name:	Update and Send Out Summary of Complaints introduced during the month
Task Description:	Detail the number of complaints introduced, the reasons for the complaints and the current status of the handling of those complaints
Frequency:	At least monthly
Responsibility:	Compliance function