

INTERACTIVE BROKERS IRELAND LIMITED

DESCRIPTION OF OUR SERVICES AND COSTS AND CHARGES

OVERVIEW

The General Business Terms together with the Schedules and Appendices form the Customer Agreement (“**Agreement**”) which governs the terms upon which we do business with you. To help you find your way around our General Business Terms, we have briefly summarised their contents below. To be clear, we have done so for convenience only and you should always refer to the Agreement for all of the legal rights and obligations that apply to your brokerage account and your relationship with us more generally.

This Guide also contains an explanatory guide to the Costs and Charges information available on our website.

GUIDE TO OUR GENERAL BUSINESS TERMS

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(iv)**).
 - 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(iv)**).
- **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. Please note that we provide an overview of our fees 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.

Further to our comment above, please note that the above is for your guidance only and in no way overrides, supersedes or supplements the Agreement. In the event of any inconsistency between this Guide and the Agreement, the Agreement shall prevail.

GUIDE TO OUR COSTS AND CHARGES

The Agreement we have entered with you includes provisions on our costs and charges and refers you to the Pricing section of our website for a detailed explanation of the costs and charges applicable to your account.

This Costs and Charges Guide provides an explanatory guide to our pricing structure. For each of the Costs and Charges listed below, you are referred to the Pricing section of our website. That section hosts a dedicated page for each of the applicable Costs and Charges, organised by relevant product and market. IBIE will charge you for each Transaction in accordance with our applicable rates for the relevant Service or Transaction on the relevant market, financial instrument or assets. Our charges comprise Commissions, Margin Rates, Interest Rates, Short Sale Cost, Research and News, Market Data and Other Fees. An overview of each of these charges is provided below and further details, including applicable examples, are contained on our website.

If you are a client of an Advisor or an Introducing Broker, you will have separately agreed with your Advisor or Introducing Broker 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 we have entered with you, if instructed by your Advisor or Introducing Broker, IBIE will collect from your account and pay to your Advisor or Introducing Broker, the corresponding amount of their costs and charges.

Types of Costs and Charges

1. Commissions

We apply commissions on all products, with the exception of 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.

For commissions, IBIE offers both Fixed Rate Pricing Plans and Tiered Pricing Plans.

Fixed Rate Pricing Plans: IBIE charges 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.

Volume-Tiered Pricing Plans: IBIE charges our low broker commissions, which 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 of the savings directly back to you. Volume-Tiered Pricing Plans typically suit more active traders as they itemise the individual cost components of each trade and pass through external fees.

You will find further information on our commissions on the Pricing section of our website under “Commissions”. You will find more information on how the Fixed and Volume-Tiered Plans apply to individual asset classes in different geographic markets on our website within the individual product tab.

2. Margin Rates

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. Moreover customer accounts that are deemed to have significant risk exposure may be charged a daily “Exposure Fee”.

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 below).

You will find further information on the applicable interest rates on the Pricing section of our website under “Margin Rates”. The Margin Rates webpage also provides a tool for estimating interest charged on margin loans and a link to some relevant examples. You will find information on daily “Exposure Fees” under “Margin Requirements” on the “Margin Rates” page.

3. Interest Rates

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.

You will find further information on applicable interest rates on the Pricing section of our website under “Interest Rates”.

4. Short Sale Cost

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. For further information, see the Pricing section of our website under “Short Sale Cost”.

5. Research and News

Research and News is available to IBIE clients through our affiliate Global Financial Information Service (“GFIS”).

Some Research and News services are available free of charge. The free services are available to clients as well as to non-clients who have opened a demo account. There is no requirement that the demo account be converted to a real account or for the client account to be funded.

GFIS generally charges a monthly subscription fee for research and news. The monthly fee varies depending on the type of services (research, research and news) subscribed for. The fees applicable to each of the subscriptions are listed on our website and you may also need to maintain a specified amount of equity in your account.

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.

Please review the “Research and News” listing under the Pricing section of the IBIE website for a detailed explanation of the charging structure applicable to the Research and News services available. You will also find details for the free services under this listing.

6. Market Data

GFIS make available to customers real-time streaming market data via subscriptions for the exchanges on which the customer wish to trade. To subscribe and maintain market data you may also need to maintain a minimum equity balance on your account.

Subscription fees are assessed based on the number of users subscribed to the service on the account. These are in addition to the minimum equity balance. Select market data services are eligible for commission-related waivers.

In relation to the fees quoted for Market Data, GFIS retains 5% - 10% of those fees to cover administrative and other costs related to the provision of these data services. The remainder of the fee is paid to the vendor.

Please consult the Pricing section of our website under “Market Data” for a detailed explanation of the charging structure applicable to Market Data and the applicable fees, minimum equity balances and waivers.

7. Additional Pricing Information

Other Fees

In addition to the Costs and Charges described above, we apply fees:

- For the processing of dividends and corporate actions;
- That relate to trading for the exercise and assignment of futures, options and other financial instruments;
- If we have to cancel or modify an order at your request, in case we need to bust or adjust a transaction for causes that are not imputable to us;
- if we accept an order to close a position over the phone;
- If we facilitate cash movements or process account's withdrawals;
- When your exposure in a margin account is considered as high risk,;
- For Returned checks;
- For Physical Cash Deposits;
- For Various Position Transfers; and
- For Archived Statements.

We also apply other fees to reflect account maintenance and reporting related activities for clients subject to the European Markets and Infrastructure Regulation (EMIR) or Markets in Financial Instruments Regulation (MiFIR), and to clients that request us to apply for a Legal Entity Identifier (LEI).

The fees related to each of the items listed above are explained on our website under “Other Fees” in the Pricing section.

8. Collection of Costs and Charges

Transaction commissions, fees and other charges are charged to the 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.

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

Other Fees, where applicable, are charged to the account in the manner described in the "Other Fees" section of the IBIE website. Further details are provided on each of the dedicated pages of the IBIE website.

As mentioned, IBIE will collect from you account and pay to your Advisor or Introducing Broker (if any) the costs and charges applied by your Advisor or Introducing Broker if instructed to do so by your Advisor or Introducing Broker.

9. Multi-Currency Trading

The IBIE Multi-Currency Account function gives the ability to trade in products and also 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. More information on "Converting Currency Balances" can be found on the [IBKR Knowledge Base](#).

Accounts opened through the IMPACT Application (IMPACT) are multi-currency enabled. For these accounts, to facilitate multi-currency trading, IBIE will automatically convert currencies for orders entered through IMPACT, at a rate derived from prevailing market conditions at the time of execution. You can find further information in Interactive Brokers Disclosure Regarding Automatic Currency Conversion Feature of Impact App Accounts.

10. 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.