InteractiveBrokers

AI Trading Supplement

Allowing Your AI Service to Trade in Your IBKR Account

You have asked us to let an AI provider place trades in your IBKR account without you reviewing or approving the trade orders first. Your AI provider's trade orders will go straight to market; you will not have a chance to check or change them beforehand. **This supplement to the agreement *Connecting Your IBKR Account to an AI Service* governs the trading through your AI provider.**

⚠ **Key warning: You could lose all the money and assets you make available for AI trading.** AI errors or failures can cause rapid, even total losses. Read the risks below carefully before you agree.

1. **<u>You Must Designate the Assets you Wish your AI Provider to Trade</u>**

   We will create a separate AI Partition within your IBKR account into which you can place the assets you wish to trade through your AI provider. **Any assets you place in your AI Partition can be traded by your AI provider.** This is to ensure that only funds and assets you specifically designate for AI trading are available to your AI provider.

   You understand that:

   i. Only your AI provider can trade the assets in your AI Partition. You cannot place your own trades on those assets until you move them out of your AI Partition.

   ii. IBKR can use funds or assets in your AI Partition to cover any amount you owe IBKR across your account(s) with us. This includes debts from trades you placed outside the AI Partition.

   You can move money and assets into or out of the AI Partition at any time, though IBKR may delay a transfer if there are trades that have not yet settled or open positions that need to be resolved first.

2. **<u>You Cannot Review or Approve Your AI Provider's Orders</u>**

Trade orders placed by your AI provider are sent directly for execution, you cannot review or approve them. This is the key difference between this service and the standard AI service, which only allows your AI provider to **stage instructions in your** IBKR account for your review and approval.

You agree that:

i. **Your AI provider can place orders for your AI Partition directly with IBKR.**

ii. **IBKR will treat those orders as if you submitted them yourself.**

iii. **IBKR will carry out those orders without asking you first.**

iv. **You will not have the ability to preview or change the orders your AI provider places in your AI Partition.**

3. **<u>You Are Responsible for Everything the AI Does</u>**

You set up the AI, give it instructions, and choose what data to share with it. **As a result, you are responsible for every trade your AI provider makes in your AI Partition.** This includes trades that:

- do not match your intentions or instructions;
- result from errors by you or your AI provider; or
- are placed more than once.

IBKR has no relationship with your AI provider. IBKR does not control how the AI works, what data it uses, or whether the AI provider is functioning or available. IBKR does not guarantee its performance.

4. **<u>Limitations on Trading in the AI Partition</u>**

You understand that trading in your AI Partition will be subject to certain limitations on the products you may trade, the frequency of your order activity, and other controls, which are described on the IBKR website and subject to change. These limitations are intended to protect you or IBKR from some or all of the risks described in the next section.

5. **<u>Important Risks You Should Understand</u>**

5.1 No opportunity to correct mistaken orders created by your AI provider

AI systems can produce errors, hallucinations (confidently wrong outputs), bugs, and biased results. AI systems can also misinterpret your instructions or rely on data that is incomplete, inaccurate, or out of date. If your AI provider only stages

instructions for your review, you may be able to catch these issues before you place the order. In the AI Partition, mistakes become real trades straight away. No one reviews the orders before they go to market. You are responsible for the resulting trades.

5.2. Small errors can become big losses very quickly

A defective or wrong order can repeat and compound. High-speed automation can turn a small error into a large financial loss quickly.

5.3. Technology can fail

Outages, slow connections, internet problems, or cloud service downtime can block, delay, duplicate, or misroute your AI's orders. These problems can cause unexpected trades or prevent the AI from acting as expected.

5.4. The AI may change without warning

Your AI provider may update, retrain, or reconfigure its systems at any time without telling you. The same instructions you gave yesterday could produce completely different trading behavior tomorrow.

5.5. You could lose everything in the AI Partition

Letting your AI provider submit orders directly is risky. You may lose all assets held in the AI Partition. You accept all risks of using AI to trade your money.

5.6. IBKR is not monitoring the AI for you

IBKR has no duty to and will not supervise, monitor, review, override, or second-guess the trading decisions of you or your AI provider. IBKR will not check whether the AI's strategy makes sense for you. IBKR will not warn you if something looks risky or unintended, or if there are losses in the AI Partition.

You are responsible for reviewing your account activity and monitoring your AI provider's trading. This service may not be appropriate for all investors.

5.7. You are responsible for any manipulative trading in your IBKR Account by your AI provider

AI systems may create trading patterns that regulators treat as market manipulation, even if you did not intend that result. Examples include spoofing (placing orders you do not intend to fill), layering (placing orders at multiple prices to create a false picture of demand) and wash trading (trading with yourself). IBKR will treat all orders and trades placed by your AI provider as your own. If your AI provider's trading activity violates applicable laws or rules, you may face

regulatory inquiries, enforcement actions, fines, or trading restrictions.

IBKR may suspend or terminate trading in your AI Partition at any time if it believes trading activity may violate applicable laws or rules, without liability to you.

6. **Limitation of Liability**

   Your AI provider is a third-party service that you independently chose and linked to your IBKR account. IBKR is not related to, affiliated with, or in control of your AI provider. IBKR does not build, run, maintain, or endorse your AI provider's systems or outputs.

   IBKR is not liable for any losses, costs, or damages arising or caused by your AI provider. This includes losses from:

   i. **the AI's trading decisions strategy or behavior;**

   ii. **errors, faults, or failures in the AI provider's systems;**

   iii. **outages, interruptions, or unavailability of the AI provider's services; or**

   iv. **changes your AI provider makes to its systems.**

   This clause does not exclude or limit any liability which cannot lawfully be excluded or limited.

7. **I Agree**

   By clicking "I Agree" below, you confirm that:

   - You have read and understood this agreement.
   - You accept the risks described above, including the risk that you could lose all assets in your AI Partition.
   - You understand that this does not affect your statutory rights or your right to complain.