

## BrokerCheck Report

### INTERACTIVE BROKERS CORP.

CRD# 117942

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Please be aware that fraudsters may link to BrokerCheck from phishing and similar scam websites, trying to steal your personal information or your money. Make sure you know who you're dealing with when investing, and contact FINRA with any concerns.

For more information read our [investor alert](#) on imposters.

## About BrokerCheck®



BrokerCheck offers information on all current, and many former, registered securities brokers, and all current and former registered securities firms. FINRA strongly encourages investors to use BrokerCheck to check the background of securities brokers and brokerage firms before deciding to conduct, or continue to conduct, business with them.

- **What is included in a BrokerCheck report?**

- BrokerCheck reports for individual brokers include information such as employment history, professional qualifications, disciplinary actions, criminal convictions, civil judgments and arbitration awards. BrokerCheck reports for brokerage firms include information on a firm's profile, history, and operations, as well as many of the same disclosure events mentioned above.

- Please note that the information contained in a BrokerCheck report may include pending actions or allegations that may be contested, unresolved or unproven. In the end, these actions or allegations may be resolved in favor of the broker or brokerage firm, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

- **Where did this information come from?**

- The information contained in BrokerCheck comes from FINRA's Central Registration Depository, or CRD® and is a combination of:
  - information FINRA and/or the Securities and Exchange Commission (SEC) require brokers and brokerage firms to submit as part of the registration and licensing process, and
  - information that regulators report regarding disciplinary actions or allegations against firms or brokers.

- **How current is this information?**

- Generally, active brokerage firms and brokers are required to update their professional and disciplinary information in CRD within 30 days. Under most circumstances, information reported by brokerage firms, brokers and regulators is available in BrokerCheck the next business day.

- **What if I want to check the background of an investment adviser firm or investment adviser representative?**

- To check the background of an investment adviser firm or representative, you can search for the firm or individual in BrokerCheck. If your search is successful, click on the link provided to view the available licensing and registration information in the SEC's Investment Adviser Public Disclosure (IAPD) website at <https://www.adviserinfo.sec.gov>. In the alternative, you may search the IAPD website directly or contact your state securities regulator at <http://www.finra.org/Investors/ToolsCalculators/BrokerCheck/P455414>.

- **Are there other resources I can use to check the background of investment professionals?**

- FINRA recommends that you learn as much as possible about an investment professional before deciding to work with them. Your state securities regulator can help you research brokers and investment adviser representatives doing business in your state.

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**Thank you for using FINRA BrokerCheck.**



Using this site/information means that you accept the FINRA BrokerCheck Terms and Conditions. A complete list of Terms and Conditions can be found at [brokercheck.finra.org](http://brokercheck.finra.org)



For additional information about the contents of this report, please refer to the User Guidance or [www.finra.org/brokercheck](http://www.finra.org/brokercheck). It provides a glossary of terms and a list of frequently asked questions, as well as additional resources. For more information about FINRA, visit [www.finra.org](http://www.finra.org).



## INTERACTIVE BROKERS CORP.

CRD# 117942

SEC# 8-53615

### Main Office Location

PICKWICK PLAZA  
GREENWICH, CT 06830  
Regulated by FINRA Boston Office

### Mailing Address

TWO PICKWICK PLAZA  
GREENWICH, CT 06830

### Business Telephone Number

203 618-5700

## Report Summary for this Firm

This report summary provides an overview of the brokerage firm. Additional information for this firm can be found in the detailed report.

### Firm Profile

This firm is classified as a corporation.

This firm was formed in Delaware on 01/16/2009.

Its fiscal year ends in December.

### Firm History

Information relating to the brokerage firm's history such as other business names and successions (e.g., mergers, acquisitions) can be found in the detailed report.

### Firm Operations

**This firm is registered with:**

- the SEC
- 3 Self-Regulatory Organizations
- 53 U.S. states and territories

Is this brokerage firm currently suspended with any regulator? **No**

This firm conducts 3 types of businesses.

This firm is affiliated with financial or investment institutions.

This firm has referral or financial arrangements with other brokers or dealers.

### Disclosure Events

Brokerage firms are required to disclose certain criminal matters, regulatory actions, civil judicial proceedings and financial matters in which the firm or one of its control affiliates has been involved.

Are there events disclosed about this firm? **Yes**

**The following types of disclosures have been reported:**

Type	Count
Regulatory Event	3
Arbitration	1

The number of disclosures from non-registered control affiliates is 18



## Firm Profile

This firm is classified as a corporation.

This firm was formed in Delaware on 01/16/2009.

Its fiscal year ends in December.

## Firm Names and Locations

This section provides the brokerage firm's full legal name, "Doing Business As" name, business and mailing addresses, telephone number, and any alternate name by which the firm conducts business and where such name is used.

### INTERACTIVE BROKERS CORP.

**Doing business as** INTERACTIVE BROKERS CORP.

**CRD#** 117942

**SEC#** 8-53615

### Main Office Location

PICKWICK PLAZA  
GREENWICH, CT 06830

**Regulated by FINRA Boston Office**

### Mailing Address

TWO PICKWICK PLAZA  
GREENWICH, CT 06830

### Business Telephone Number

203 618-5700



## Firm Profile

This section provides information relating to all direct owners and executive officers of the brokerage firm.

### Direct Owners and Executive Officers

**Legal Name & CRD# (if any):** IB EXCHANGE CORP.

**Is this a domestic or foreign entity or an individual?** Domestic Entity

**Position** OWNER

**Position Start Date** 04/2015

**Percentage of Ownership** 75% or more

**Does this owner direct the management or policies of the firm?** No

**Is this a public reporting company?** No

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**Legal Name & CRD# (if any):** BRODY, PAUL JONATHAN

1722066

**Is this a domestic or foreign entity or an individual?** Individual

**Position** SECRETARY, PRINCIPAL OPERATIONS OFFICER

**Position Start Date** 01/2016

**Percentage of Ownership** Less than 5%

**Does this owner direct the management or policies of the firm?** Yes

**Is this a public reporting company?** No

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**Legal Name & CRD# (if any):** GALIK, MILAN

2204066

**Is this a domestic or foreign entity or an individual?** Individual

**Position** CEO

**Position Start Date** 10/2019

## Firm Profile



### Direct Owners and Executive Officers (continued)

**Percentage of Ownership** Less than 5%

**Does this owner direct the management or policies of the firm?** Yes

**Is this a public reporting company?** No

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**Legal Name & CRD# (if any):** GELMAN, JONATHAN MICHAEL  
5440103

**Is this a domestic or foreign entity or an individual?** Individual

**Position** CCO AND ROSFP

**Position Start Date** 10/2019

**Percentage of Ownership** Less than 5%

**Does this owner direct the management or policies of the firm?** No

**Is this a public reporting company?** No

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**Legal Name & CRD# (if any):** MENICUCCI, JAMES  
6590173

**Is this a domestic or foreign entity or an individual?** Individual

**Position** PRINCIPAL FINANCIAL OFFICER

**Position Start Date** 10/2019

**Percentage of Ownership** Less than 5%

**Does this owner direct the management or policies of the firm?** Yes

**Is this a public reporting company?** No

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**Legal Name & CRD# (if any):** SANDERS, STEVEN JAY

Firm Profile



Direct Owners and Executive Officers (continued)

	2812548
Is this a domestic or foreign entity or an individual?	Individual
Position	EXECUTIVE VICE PRESIDENT SALES AND MARKETING
Position Start Date	08/2009
Percentage of Ownership	Less than 5%
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

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## Firm Profile

This section provides information relating to any indirect owners of the brokerage firm.

### Indirect Owners

**Legal Name & CRD# (if any):** IBG HOLDINGS LLC

**Is this a domestic or foreign entity or an individual?** Domestic Entity

**Company through which indirect ownership is established** IBG LLC

**Relationship to Direct Owner** MEMBER

**Relationship Established** 10/2009

**Percentage of Ownership** 75% or more

**Does this owner direct the management or policies of the firm?** Yes

**Is this a public reporting company?** No

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**Legal Name & CRD# (if any):** IBG LLC

**Is this a domestic or foreign entity or an individual?** Domestic Entity

**Company through which indirect ownership is established** IB EXCHANGE CORP.

**Relationship to Direct Owner** MANAGING MEMBER

**Relationship Established** 01/2002

**Percentage of Ownership** 75% or more

**Does this owner direct the management or policies of the firm?** Yes

**Is this a public reporting company?** No

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**Legal Name & CRD# (if any):** INTERACTIVE BROKERS GROUP, INC.

**Is this a domestic or foreign entity or an individual?** Domestic Entity



Firm Profile



Indirect Owners (continued)

Company through which indirect ownership is established	IBG LLC
Relationship to Direct Owner	SHAREHOLDER
Relationship Established	12/2007
Percentage of Ownership	25% but less than 50%
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	Yes

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## Firm History

This section provides information relating to any successions (e.g., mergers, acquisitions) involving the firm.

No information reported.





Firm Operations

Registrations

This section provides information about the regulators (Securities and Exchange Commission (SEC), self-regulatory organizations (SROs), and U.S. states and territories) with which the brokerage firm is currently registered and licensed, the date the license became effective, and certain information about the firm's SEC registration.

**This firm is currently registered with the SEC, 3 SROs and 53 U.S. states and territories.**

Federal Regulator	Status	Date Effective
SEC	Approved	12/18/2001

SEC Registration Questions

This firm is registered with the SEC as:

A broker-dealer: Yes

A broker-dealer and government securities broker or dealer: No

A government securities broker or dealer only: No

This firm has ceased activity as a government securities broker or dealer: No

Self-Regulatory Organization	Status	Date Effective
FINRA	Approved	12/18/2001
Cboe C2 Exchange, Inc.	Approved	10/06/2010
Cboe Exchange, Inc.	Approved	04/21/2009



## Firm Operations

### Registrations (continued)

U.S. States & Territories	Status	Date Effective
Alabama	Approved	10/19/2011
Alaska	Approved	08/05/2011
Arizona	Approved	10/26/2011
Arkansas	Approved	12/01/2011
California	Approved	12/21/2001
Colorado	Approved	08/19/2011
Connecticut	Approved	03/18/2003
Delaware	Approved	10/03/2011
District of Columbia	Approved	10/18/2011
Florida	Approved	02/23/2015
Georgia	Approved	01/22/2004
Hawaii	Approved	10/21/2011
Idaho	Approved	08/05/2011
Illinois	Approved	01/14/2003
Indiana	Approved	02/07/2012
Iowa	Approved	08/05/2011
Kansas	Approved	01/05/2012
Kentucky	Approved	08/08/2011
Louisiana	Approved	08/10/2011
Maine	Approved	11/10/2011
Maryland	Approved	09/27/2011
Massachusetts	Approved	11/25/2002
Michigan	Approved	10/25/2011
Minnesota	Approved	08/09/2011
Mississippi	Approved	08/05/2011
Missouri	Approved	10/26/2006
Montana	Approved	09/27/2011
Nebraska	Approved	10/25/2011
Nevada	Approved	11/03/2011
New Hampshire	Approved	10/31/2011
New Jersey	Approved	09/09/2008
New Mexico	Approved	03/01/2005
New York	Approved	01/06/2003

U.S. States & Territories	Status	Date Effective
North Carolina	Approved	08/08/2011
North Dakota	Approved	11/04/2011
Ohio	Approved	11/18/2011
Oklahoma	Approved	08/24/2011
Oregon	Approved	10/26/2011
Pennsylvania	Approved	11/08/2011
Puerto Rico	Approved	11/04/2011
Rhode Island	Approved	09/28/2011
South Carolina	Approved	11/03/2011
South Dakota	Approved	08/05/2011
Tennessee	Approved	10/15/2015
Texas	Approved	08/03/2012
Utah	Approved	08/17/2011
Vermont	Approved	11/09/2011
Virgin Islands	Approved	06/07/2017
Virginia	Approved	09/15/2011
Washington	Approved	08/04/2011
West Virginia	Approved	12/31/2007
Wisconsin	Approved	09/27/2011
Wyoming	Approved	11/02/2011



## Firm Operations

### Types of Business

This section provides the types of business, including non-securities business, the brokerage firm is engaged in or expects to be engaged in.

**This firm currently conducts 3 types of businesses.**

#### Types of Business

Exchange member engaged in floor activities

Put and call broker or dealer or option writer

Other - INTERACTIVE BROKERS CORP. WAS APPROVED BY THE NATIONAL FUTURES ASSOCIATION (NFA) TO BE AN INTRODUCING BROKER FOR COMMODITIES FUTURES AND OPTIONS. INTERACTIVE BROKERS CORP. INTRODUCES COMMODITIES CLIENTS TO INTERACTIVE BROKERS LLC, A FUTURES COMMISSION MERCHANT.

#### Other Types of Business

This firm does not effect transactions in commodities, commodity futures, or commodity options.

This firm does not engage in other non-securities business.

Non-Securities Business Description:

Firm Operations



Clearing Arrangements

This firm does not hold or maintain funds or securities or provide clearing services for other broker-dealer(s).

Introducing Arrangements

This firm does refer or introduce customers to other brokers and dealers.

Name:	INTERACTIVE BROKERS LLC
CRD #:	36418
Business Address:	ONE PICKWICK PLAZA 2ND FLOOR GREENWICH, CT 06830
Effective Date:	01/05/2009
Description:	INTERACTIVE BROKERS CORP. INTRODUCES CUSTOMER ACCOUNTS ON A FULLY DISCLOSED BASIS TO INTERACTIVE BROKERS LLC

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## Firm Operations

### Industry Arrangements



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**This firm does have books or records maintained by a third party.**

**Name:** INTERACTIVE BROKERS LLC

**CRD #:** 36418

**Business Address:** ONE PICKWICK PLAZA  
GREENWICH, CT 06830

**Effective Date:** 01/05/2009

**Description:** INTERACTIVE BROKERS CORP. INTRODUCES CUSTOMER ACCOUNTS ON A FULLY DISCLOSED BASIS TO INTERACTIVE BROKERS LLC, THEREFORE CERTAIN BOOKS AND RECORDS ARE KEPT OR MAINTAINED BY THE CLEARING FIRM INTERACTIVE BROKERS LLC.

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**This firm does have accounts, funds, or securities maintained by a third party.**

**Name:** INTERACTIVE BROKERS LLC

**CRD #:** 36418

**Business Address:** ONE PICKWICK PLAZA  
GREENWICH, CT 06830

**Effective Date:** 01/05/2009

**Description:** INTERACTIVE BROKERS CORP. INTRODUCES CUSTOMER ACCOUNTS ON A FULLY DISCLOSED BASIS TO INTERACTIVE BROKERS LLC, THEREFORE SECURITIES AND FUNDS OF INTERACTIVE BROKERS CORP. ARE HELD BY THE CLEARING FIRM INTERACTIVE BROKERS LLC.

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**This firm does have customer accounts, funds, or securities maintained by a third party.**

**Name:** INTERACTIVE BROKERS LLC

**CRD #:** 36418

**Business Address:** ONE PICKWICK PLAZA  
2ND FLOOR  
GREENWICH, CT 06830

**Effective Date:** 01/05/2009

**Description:** INTERACTIVE BROKERS CORP. INTRODUCES CUSTOMER ACCOUNTS ON A FULLY DISCLOSED BASIS TO INTERACTIVE BROKERS LLC, THEREFORE CUSTOMER SECURITIES AND FUNDS ARE HELD BY THE CLEARING FIRM INTERACTIVE BROKERS LLC.

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**Control Persons/Financing**

## Firm Operations



### Industry Arrangements (continued)

This firm does not have individuals who control its management or policies through agreement.

This firm does not have individuals who wholly or partly finance the firm's business.





## Firm Operations

### Organization Affiliates

This section provides information on control relationships the firm has with other firms in the securities, investment advisory, or banking business.

**This firm is, directly or indirectly:**

- in control of
  - controlled by
  - or under common control with
- the following partnerships, corporations, or other organizations engaged in the securities or investment advisory business.**

**INTERACTIVE VENTURE PARTNERS LLC is under common control with the firm.**

<b>CRD #:</b>	327825
<b>Business Address:</b>	ONE PICKWICK PLAZA 2ND FLOOR GREENWICH, CT 06830
<b>Effective Date:</b>	09/12/2023
<b>Foreign Entity:</b>	No
<b>Country:</b>	
<b>Securities Activities:</b>	No
<b>Investment Advisory Activities:</b>	Yes
<b>Description:</b>	INTERACTIVE VENTURE PARTNERS LLC IS EXEMPT FROM REGISTRATION AS AN ADVISER SOLELY TO ONE OR MORE VENTURE CAPITAL FUNDS. INTERACTIVE BROKERS CORP AND INTERACTIVE VENTURE PARTNERS LLC ARE UNDER COMMON CONTROL THROUGH IBG LLC.

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**COVESTOR, INC. is under common control with the firm.**

<b>Business Address:</b>	175 FEDERAL ST STE 825 BOSTON, MA 02110
<b>Effective Date:</b>	05/01/2015
<b>Foreign Entity:</b>	No
<b>Country:</b>	
<b>Securities Activities:</b>	Yes
<b>Investment Advisory Activities:</b>	Yes

## Firm Operations



### Organization Affiliates (continued)

**Description:** COVESTOR, INC. IS A U.S. SEC REGISTERED INVESTMENT ADVISOR AND UNDER COMMON CONTROL THROUGH IBG LLC.

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#### INTERACTIVE BROKERS SINGAPORE PTE. LTD. is under common control with the firm.

**Business Address:** #40-02A, ASIA SQUARE TOWER 1  
8 MARINA VIEW  
SINGAPORE, SINGAPORE 018960

**Effective Date:** 05/14/2019

**Foreign Entity:** Yes

**Country:** SINGAPORE

**Securities Activities:** Yes

**Investment Advisory Activities:** No

**Description:** INTERACTIVE BROKERS SINGAPORE PTE. LTD. IS UNDER COMMON CONTROL THROUGH IBG LLC.

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#### INTERACTIVE BROKERS IRELAND LIMITED is under common control with the firm.

**Business Address:** NORTH DOCK ONE  
91/92 NORTH WALL QUAY  
DUBLIN, IRELAND D01 F7X3

**Effective Date:** 09/20/2019

**Foreign Entity:** Yes

**Country:** IRELAND

**Securities Activities:** Yes

**Investment Advisory Activities:** No

**Description:** INTERACTIVE BROKERS IRELAND LIMITED IS UNDER COMMON CONTROL THROUGH IBG, LLC.

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#### INTERACTIVE BROKERS CENTRAL EUROPE ZRT is under common control with the firm.

**Business Address:** MADÁCH IMRE ÚT 13-14, 1075  
BUDAPEST, HUNGARY

**Effective Date:** 12/12/2020

**Foreign Entity:** Yes

## Firm Operations



### Organization Affiliates (continued)

<b>Country:</b>	HUNGARY
<b>Securities Activities:</b>	Yes
<b>Investment Advisory Activities:</b>	No
<b>Description:</b>	INTERACTIVE BROKERS CENTRAL EUROPE ZRT IS UNDER COMMON CONTROL THROUGH IBG LLC.

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#### INTERACTIVE BROKERS HONG KONG LIMITED is under common control with the firm.

<b>Business Address:</b>	TWO PACIFIC PLACE, SUITE 1512 88 QUEENSWAY ADMIRALTY, HONG KONG
<b>Effective Date:</b>	04/03/1996
<b>Foreign Entity:</b>	Yes
<b>Country:</b>	HONG KONG
<b>Securities Activities:</b>	Yes
<b>Investment Advisory Activities:</b>	No
<b>Description:</b>	INTERACTIVE BROKERS SECURITIES HONG KONG LIMITED IS A CORPORATION REGISTERED WITH THE SECURITIES AND FUTURES COMMISSION IN HONG KONG. BOTH FIRMS ARE UNDER COMMON CONTROL THROUGH IBG LLC.

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#### INTERACTIVE BROKERS AUSTRALIA PTY LIMITED is under common control with the firm.

<b>Business Address:</b>	LEVEL 40 SUITE 4002 225 GEORGE STREET SYDNEY, AUSTRALIA 2000
<b>Effective Date:</b>	11/25/2013
<b>Foreign Entity:</b>	Yes
<b>Country:</b>	AUSTRALIA
<b>Securities Activities:</b>	Yes
<b>Investment Advisory Activities:</b>	No
<b>Description:</b>	INTERACTIVE BROKERS AUSTRALIA PTY LIMITED IS AN AUSTRALIAN ORGANIZATION THAT HAS BEEN AUTHORIZED BY THE AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION (ASIC) TO CONDUCT

## Firm Operations



### Organization Affiliates (continued)

INVESTMENT BUSINESS IN AUSTRALIA. INTERACTIVE BROKERS AUSTRALIA PTY LIMITED IS UNDER COMMON CONTROL THROUGH IBG LLC.

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#### COVESTOR LTD. is under common control with the firm.

**Business Address:** 1 DUCHESS STREET  
LONDON, UNITED KINGDOM W1W 6AN

**Effective Date:** 05/01/2015

**Foreign Entity:** Yes

**Country:** UNITED KINGDOM

**Securities Activities:** Yes

**Investment Advisory Activities:** Yes

**Description:** COVESTOR LTD. IS A U.S. SEC REGISTERED INVESTMENT ADVISOR; BOTH FIRMS ARE UNDER COMMON CONTROL THROUGH IBG LLC.

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#### INTERACTIVE BROKERS SECURITIES JAPAN, INC. is under common control with the firm.

**Business Address:** 4TH FLOOR, TEKKO KAIKAN 3-2-10  
NIHONBASHI KAYABACHO, CHUO-KU  
TOKYO, JAPAN 103-002

**Effective Date:** 10/27/2011

**Foreign Entity:** Yes

**Country:** JAPAN

**Securities Activities:** Yes

**Investment Advisory Activities:** No

**Description:** INTERACTIVE BROKERS SECURITIES JAPAN, INC. IS A MEMBER OF THE JAPAN SECURITIES DEALERS ASSOCIATION; BOTH FIRMS ARE UNDER COMMON CONTROL THROUGH IBG LLC.

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#### INTERACTIVE BROKERS (INDIA) PRIVATE LIMITED is under common control with the firm.

**Business Address:** 502/A, TIMES SQUARE  
ANDHERI KURLA ROAD, ANDHERI EAST  
MUMBAI, INDIA 400059

**Effective Date:** 10/27/2011

## Firm Operations



### Organization Affiliates (continued)

<b>Foreign Entity:</b>	Yes
<b>Country:</b>	INDIA
<b>Securities Activities:</b>	Yes
<b>Investment Advisory Activities:</b>	No
<b>Description:</b>	INTERACTIVE BROKERS (INDIA) PVT. LTD IS A MEMBER OF THE SECURITIES AND EXCHANGE BOARD OF INDIA; BOTH FIRMS ARE UNDER COMMON CONTROL THROUGH IBG LLC.

#### IBG LLC controls the firm.

<b>Business Address:</b>	TWO PICKWICK PLAZA GREENWICH, CT 06830
<b>Effective Date:</b>	10/27/2011
<b>Foreign Entity:</b>	No
<b>Country:</b>	
<b>Securities Activities:</b>	Yes
<b>Investment Advisory Activities:</b>	No
<b>Description:</b>	IBG LLC IS A HOLDING COMPANY WHICH OWNS 100% OF INTERACTIVE BROKERS CORP AND HAS AN OWNERSHIP INTEREST IN INTERACTIVE BROKERS CORP. AFFILIATES.

#### INTERACTIVE BROKERS (U.K.) LIMITED is under common control with the firm.

<b>Business Address:</b>	LEVEL 20 HERON TOWER 110 BISHOPSGATE LONDON, UNITED KINGDOM EC2 V8AE
<b>Effective Date:</b>	12/18/2007
<b>Foreign Entity:</b>	Yes
<b>Country:</b>	UNITED KINGDOM
<b>Securities Activities:</b>	Yes
<b>Investment Advisory Activities:</b>	No
<b>Description:</b>	INTERACTIVE BROKERS (U.K.) LIMITED IS A UNITED KINGDOM ORGANIZATION THAT HAS BEEN AUTHORIZED BY THE FINANCIAL

## Firm Operations



### Organization Affiliates (continued)

CONDUCT AUTHORITY TO CONDUCT INVESTMENT BUSINESS IN THE U.K. AND OTHER EUROPEAN COUNTRIES. BOTH FIRMS ARE UNDER COMMON CONTROL THROUGH IBG LLC.

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#### INTERACTIVE BROKERS CANADA INC is under common control with the firm.

**Business Address:** 1800 MCGILL COLLEGE  
SUITE 2106  
MONTREAL, CANADA H3A 3J6

**Effective Date:** 12/18/2007

**Foreign Entity:** Yes

**Country:** CANADA

**Securities Activities:** Yes

**Investment Advisory Activities:** No

**Description:** INTERACTIVE BROKERS CANADA INC. IS A CORPORATION REGISTERED UNDER THE CANADA CORPORATIONS ACT, THE INVESTMENT INDUSTRY REGULATORY ORGANIZATION OF CANADA AND VARIOUS CANADIAN PROVINCIAL SECURITIES COMMISSIONS. BOTH FIRMS ARE UNDER COMMON CONTROL THROUGH IBG LLC.

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#### IBKR FINANCIAL SERVICES AG is under common control with the firm.

**Business Address:** GUBELSTRASSE 28  
ZUG, SWITZERLAND CH-6300

**Effective Date:** 12/18/2007

**Foreign Entity:** Yes

**Country:** SWITZERLAND

**Securities Activities:** Yes

**Investment Advisory Activities:** No

**Description:** IBKR FINANCIAL SERVICES AG IS A CORPORATION REGISTERED TO DO BUSINESS IN SWITZERLAND. INTERACTIVE BROKERS CORP AND IBKR FINANCIAL SERVICES AG ARE UNDER COMMON CONTROL THROUGH IBG LLC.

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#### IBKR SECURITIES SERVICES LLC is under common control with the firm.

**CRD #:** 33319

## Firm Operations



### Organization Affiliates (continued)

**Business Address:** ONE PICKWICK PLAZA  
GREENWICH, CT 06830

**Effective Date:** 12/18/2007

**Foreign Entity:** No

**Country:**

**Securities Activities:** Yes

**Investment Advisory Activities:** No

**Description:** IBKR SECURITIES SERVICES LLC IS A U.S. REGISTERED BROKER DEALER. BOTH FIRMS ARE UNDER COMMON CONTROL THROUGH IBG LLC.

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#### INTERACTIVE BROKERS LLC is under common control with the firm.

**CRD #:** 36418

**Business Address:** ONE PICKWICK PLAZA  
2ND FLOOR  
GREENWICH, CT 06830

**Effective Date:** 12/18/2007

**Foreign Entity:** No

**Country:**

**Securities Activities:** Yes

**Investment Advisory Activities:** No

**Description:** INTERACTIVE BROKERS LLC IS A U.S. REGISTERED BROKER DEALER. BOTH FIRMS ARE UNDER COMMON CONTROL THROUGH IBG LLC.

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#### This firm is not directly or indirectly, controlled by the following:

- bank holding company
- national bank
- state member bank of the Federal Reserve System
- state non-member bank
- savings bank or association
- credit union
- or foreign bank



## Disclosure Events

All firms registered to sell securities or provide investment advice are required to disclose regulatory actions, criminal or civil judicial proceedings, and certain financial matters in which the firm or one of its control affiliates has been involved. For your convenience, below is a matrix of the number and status of disclosure events involving this brokerage firm or one of its control affiliates. Further information regarding these events can be found in the subsequent pages of this report.

	Pending	Final	On Appeal
Regulatory Event	0	3	0
Arbitration	N/A	1	N/A



## Disclosure Event Details

### What you should know about reported disclosure events:

1. **BrokerCheck provides details for any disclosure event that was reported in CRD. It also includes summary information regarding FINRA arbitration awards in cases where the brokerage firm was named as a respondent.**
2. **Certain thresholds must be met before an event is reported to CRD, for example:**
  - A law enforcement agency must file formal charges before a brokerage firm is required to disclose a particular criminal event.
3. **Disclosure events in BrokerCheck reports come from different sources:**
  - Disclosure events for this brokerage firm were reported by the firm and/or regulators. When the firm and a regulator report information for the same event, both versions of the event will appear in the BrokerCheck report. The different versions will be separated by a solid line with the reporting source labeled.
4. **There are different statuses and dispositions for disclosure events:**
  - A disclosure event may have a status of *pending*, *on appeal*, or *final*.
    - A "pending" event involves allegations that have not been proven or formally adjudicated.
    - An event that is "on appeal" involves allegations that have been adjudicated but are currently being appealed.
    - A "final" event has been concluded and its resolution is not subject to change.
  - A final event generally has a disposition of *adjudicated*, *settled* or *otherwise resolved*.
    - An "adjudicated" matter includes a disposition by (1) a court of law in a criminal or civil matter, or (2) an administrative panel in an action brought by a regulator that is contested by the party charged with some alleged wrongdoing.
    - A "settled" matter generally involves an agreement by the parties to resolve the matter. Please note that firms may choose to settle customer disputes or regulatory matters for business or other reasons.
    - A "resolved" matter usually involves no payment to the customer and no finding of wrongdoing on the part of the individual broker. Such matters generally involve customer disputes.
5. **You may wish to contact the brokerage firm to obtain further information regarding any of the disclosure events contained in this BrokerCheck report.**

### Regulatory - Final

This type of disclosure event involves (1) a final, formal proceeding initiated by a regulatory authority (e.g., a state securities agency, self-regulatory organization, federal regulator such as the U.S. Securities and Exchange Commission, foreign financial regulatory body) for a violation of investment-related rules or regulations; or (2) a revocation or suspension of the authority of a brokerage firm or its control affiliate to act as an attorney, accountant or federal contractor.

### Disclosure 1 of 3

**Reporting Source:** Regulator

**Current Status:** Final

**Allegations:**

ON SEPTEMBER 29, 2023, THE CFTC ISSUED THIS ORDER INSTITUTING PROCEEDINGS PURSUANT TO SECTION 6(C) AND (D) OF THE COMMODITY EXCHANGE ACT, MAKING FINDINGS, AND IMPOSING REMEDIAL SANCTIONS. THE COMMODITY FUTURES TRADING COMMISSION ("COMMISSION") HAS REASON TO BELIEVE THAT FROM AT LEAST 2019 TO THE PRESENT ("RELEVANT PERIOD"), INTERACTIVE BROKERS CORP. AND INTERACTIVE BROKERS LLC ("INTERACTIVE BROKERS" OR "RESPONDENTS") VIOLATED, AS SET FORTH BELOW, SECTION 4G OF THE COMMODITY EXCHANGE ACT ("ACT"), AND COMMISSION REGULATIONS ("REGULATIONS") 1.31, 1.35, AND 166.3. THEREFORE, THE COMMISSION DEEMS IT APPROPRIATE AND IN THE PUBLIC INTEREST THAT PUBLIC ADMINISTRATIVE PROCEEDINGS BE, AND HEREBY ARE, INSTITUTED TO DETERMINE WHETHER RESPONDENTS ENGAGED IN THE VIOLATIONS SET FORTH HEREIN AND TO DETERMINE WHETHER ANY ORDER SHOULD BE ISSUED IMPOSING REMEDIAL SANCTIONS. IN ANTICIPATION OF THE INSTITUTION OF AN ADMINISTRATIVE PROCEEDING, RESPONDENTS HAVE SUBMITTED AN OFFER OF SETTLEMENT ("OFFER"), WHICH THE COMMISSION HAS DETERMINED TO ACCEPT. RESPONDENTS ADMIT THE FACTS SET FORTH HEREIN, ACKNOWLEDGE THAT THEIR CONDUCT VIOLATED THE ACT AND REGULATIONS AND CONSENT TO THE ENTRY OF THIS ORDER INSTITUTING PROCEEDINGS PURSUANT TO SECTION 6(C) AND (D) OF THE COMMODITY EXCHANGE ACT, MAKING FINDINGS, AND IMPOSING REMEDIAL SANCTIONS ("ORDER"), AND ACKNOWLEDGE SERVICE OF THIS ORDER. THE COMMISSION FINDS THE FOLLOWING THE ACT AND REGULATIONS IMPOSE RECORDKEEPING AND SUPERVISION REQUIREMENTS ON COMMISSION REGISTRANTS TO ENSURE THAT THEY RESPONSIBLY DISCHARGE THEIR CRUCIAL ROLE IN OUR MARKETS. COMPLIANCE WITH THESE REQUIREMENTS IS ESSENTIAL TO THE COMMISSION'S EFFORTS TO PROMOTE THE INTEGRITY, RESILIENCE, AND VIBRANCY OF THE U.S. DERIVATIVES MARKETS THROUGH SOUND REGULATION. DURING THE RELEVANT PERIOD, INTERACTIVE BROKERS EMPLOYEES, INCLUDING THOSE AT SENIOR LEVELS, COMMUNICATED BOTH INTERNALLY AND EXTERNALLY USING UNAPPROVED METHODS, INCLUDING VIA PERSONAL TEXT MESSAGES AND WHATSAPP MESSAGES. THESE WRITTEN COMMUNICATIONS WERE SENT AND RECEIVED BY INTERACTIVE BROKERS EMPLOYEES AND INCLUDED MESSAGES RELATED TO INTERACTIVE BROKERS' BUSINESSES AS COMMISSION REGISTRANTS THAT WERE REQUIRED TO BE MAINTAINED UNDER COMMISSION-MANDATED RECORDKEEPING REQUIREMENTS. THESE WRITTEN COMMUNICATIONS VIA UNAPPROVED METHODS GENERALLY WERE NOT MAINTAINED AND PRESERVED BY INTERACTIVE BROKERS, AND INTERACTIVE BROKERS GENERALLY WOULD NOT HAVE BEEN ABLE TO FURNISH THE COMMUNICATIONS PROMPTLY TO A COMMISSION REPRESENTATIVE IF AND WHEN REQUESTED. AS A RESULT, INTERACTIVE BROKERS VIOLATED, AS SET FORTH BELOW, SECTION 4G OF THE ACT,



AND REGULATIONS 1.31 AND 1.35. IN ADDITION, THE WIDESPREAD USE OF UNAUTHORIZED COMMUNICATION METHODS BY INTERACTIVE BROKERS' EMPLOYEES TO CONDUCT FIRM BUSINESS VIOLATED INTERACTIVE BROKERS' OWN POLICIES AND PROCEDURES, WHICH PROHIBITED SUCH COMMUNICATIONS. INTERACTIVE BROKERS DID NOT MAINTAIN ADEQUATE INTERNAL CONTROLS WITH RESPECT TO THE USE OF UNAPPROVED COMMUNICATION METHODS FOR BUSINESS-RELATED COMMUNICATIONS. INDEED, SOME OF THE VERY SAME SUPERVISORY PERSONNEL AT INTERACTIVE BROKERS RESPONSIBLE FOR ENSURING COMPLIANCE WITH INTERACTIVE BROKERS' POLICIES AND PROCEDURES THEMSELVES UTILIZED UNAPPROVED METHODS OF COMMUNICATION TO ENGAGE IN BUSINESS RELATED COMMUNICATIONS, IN VIOLATION OF FIRM POLICY. BECAUSE INTERACTIVE BROKERS FAILED TO IMPLEMENT A DILIGENT SUPERVISORY SYSTEM TO ENSURE COMPLIANCE WITH COMMISSION RECORDKEEPING REQUIREMENTS AND THE FIRM'S OWN POLICIES AND PROCEDURES, AND BECAUSE THE WIDESPREAD USE OF UNAUTHORIZED COMMUNICATION METHODS RESULTED IN THE FIRM'S FAILURE TO MAINTAIN COMMISSION REQUIRED RECORDS, INTERACTIVE BROKERS FAILED TO DILIGENTLY SUPERVISE MATTERS RELATED TO ITS BUSINESS AS A COMMISSION REGISTRANT IN VIOLATION OF REGULATION 166.3.

<b>Initiated By:</b>	COMMODITY FUTURES TRADING COMMISSION
<b>Date Initiated:</b>	09/29/2023
<b>Docket/Case Number:</b>	23-56
<b>Principal Product Type:</b>	No Product
<b>Other Product Type(s):</b>	
<b>Principal Sanction(s)/Relief Sought:</b>	Other
<b>Other Sanction(s)/Relief Sought:</b>	N/A
<b>Resolution:</b>	Order
<b>Resolution Date:</b>	09/29/2023
<b>Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?</b>	No
<b>Sanctions Ordered:</b>	Monetary/Fine \$20,000,000.00 Cease and Desist/Injunction



**Other Sanctions Ordered:** UNDERTAKINGS

**Sanction Details:** THE FIRM IS ORDERED TO CEASE AND DESIST; PAY, JOINTLY AND SEVERALLY, A CIVIL MONETARY PENALTY IN THE AMOUNT OF \$20,000,000; AND CONSENTS TO THE UNDERTAKINGS SET FORTH IN THE OFFER.

**Regulator Statement** ACCORDINGLY, IT IS HEREBY ORDERED THAT INTERACTIVE BROKERS AND ITS SUCCESSORS AND ASSIGNS SHALL CEASE AND DESIST FROM VIOLATING SECTION 4G OF THE ACT, AND REGULATIONS 1.31, 1.35, AND 166.3; SHALL PAY, JOINTLY AND SEVERALLY, A CIVIL MONETARY PENALTY IN THE AMOUNT OF TWENTY MILLION US DOLLARS (\$20,000,000); AND CONSENT TO THE UNDERTAKINGS SET FORTH IN THE OFFER.

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**Reporting Source:** Firm

**Current Status:** Final

**Allegations:** FROM AT LEAST JANUARY 2019 THROUGH SEPTEMBER 2023 ("RELEVANT PERIOD"), INTERACTIVE BROKERS CORP ("IB CORP") EMPLOYEES COMMUNICATED BOTH INTERNALLY AND EXTERNALLY USING UNAPPROVED METHODS, INCLUDING VIA PERSONAL TEXT MESSAGES AND WHATSAPP MESSAGES. THESE WRITTEN COMMUNICATIONS WERE SENT AND RECEIVED BY IB CORP EMPLOYEES AND INCLUDED MESSAGES RELATED TO IB CORP'S BUSINESS AS A CFTC REGISTRANT THAT WERE REQUIRED TO BE MAINTAINED UNDER CFTC-MANDATED RECORDKEEPING REQUIREMENTS. THESE WRITTEN COMMUNICATIONS VIA UNAPPROVED METHODS GENERALLY WERE NOT MAINTAINED AND PRESERVED BY IB CORP, AND IB CORP GENERALLY WOULD NOT HAVE BEEN ABLE TO FURNISH THE COMMUNICATIONS PROMPTLY TO A CFTC REPRESENTATIVE IF AND WHEN REQUESTED. AS A RESULT, IB CORP VIOLATED SECTION 4G OF THE COMMODITY EXCHANGE ACT, 7 U.S.C. § 6G, AND REGULATIONS 1.31 AND 1.35, 17 C.F.R. §§ 1.31, 1.35 (2022).

IN ADDITION, THE USE OF UNAUTHORIZED COMMUNICATION METHODS TO CONDUCT FIRM BUSINESS VIOLATED IB CORP'S POLICIES AND PROCEDURES. IB CORP DID NOT MAINTAIN ADEQUATE INTERNAL CONTROLS WITH RESPECT TO THE USE OF UNAPPROVED COMMUNICATION METHODS FOR BUSINESS-RELATED COMMUNICATIONS. AS A RESULT, IB CORP FAILED TO DILIGENTLY SUPERVISE MATTERS RELATED TO ITS BUSINESS AS A CFTC REGISTRANT IN VIOLATION OF REGULATION 166.3, 17 C.F.R. § 166.3 (2022).

**Initiated By:** COMMODITY FUTURES TRADING COMMISSION ("CFTC")

**Date Initiated:** 04/26/2023

**Docket/Case Number:** 23-56



<b>Principal Product Type:</b>	No Product
<b>Other Product Type(s):</b>	
<b>Principal Sanction(s)/Relief Sought:</b>	Civil and Administrative Penalt(ies) /Fine(s)
<b>Other Sanction(s)/Relief Sought:</b>	CEASE AND DESIST, COMPLY WITH SPECIFIED UNDERTAKINGS.
<b>Resolution:</b>	Order
<b>Resolution Date:</b>	09/29/2023
<b>Sanctions Ordered:</b>	Monetary/Fine \$20,000,000.00 Cease and Desist/Injunction
<b>Other Sanctions Ordered:</b>	IB CORP SHALL COMPLY WITH THE UNDERTAKINGS DETAILED IN THE ORDER.
<b>Sanction Details:</b>	<p>THE CIVIL MONETARY PENALTY WAS JOINTLY ISSUED AGAINST INTERACTIVE BROKERS LLC AND IB CORP.</p> <p>IN ADDITION TO A CIVIL MONEY PENALTY (PAID ON 10/6/2023) AND AN ORDER TO CEASE AND DESIST FROM VIOLATING SECTION 4G OF THE COMMODITY EXCHANGE ACT, 7 U.S.C. § 6G, AND REGULATIONS 1.31, 1.35, AND 166.3, 17 C.F.R. §§ 1.31, 1.35, 166.3 (2022), IB CORP IS ORDERED TO COMPLY WITH THE UNDERTAKINGS LISTED IN THE ORDER. SUCH UNDERTAKINGS INCLUDE A COMPREHENSIVE REVIEW OF (AMONG OTHER THINGS) IB CORP'S SUPERVISORY, COMPLIANCE, AND OTHER POLICIES AND PROCEDURES; TRAINING PROGRAMS; SURVEILLANCE PROGRAMS; AND TECHNOLOGICAL SOLUTIONS DESIGNED TO ENSURE THAT IB CORP'S ELECTRONIC COMMUNICATIONS, INCLUDING THOSE FOUND ON PERSONAL ELECTRONIC DEVICES, ARE PRESERVED IN ACCORDANCE WITH THE REQUIREMENTS OF THE CFTC. IB CORP MUST PROVIDE THE CFTC WITH A WRITTEN REPORT OF ITS FINDINGS AND ADOPT ALL RECOMMENDATIONS CONTAINED WITHIN IT. IB CORP ALSO MUST ASSESS ITS ELECTRONIC COMMUNICATIONS PRESERVATION PROGRAM ONE YEAR AFTER IT SUBMITS A FINDINGS REPORT TO THE CFTC.</p> <p>IN ADDITION, IB CORP SHALL NOTIFY THE CFTC OF ANY DISCIPLINE IT IMPOSES ON CERTAIN EMPLOYEES WITH RESPECT TO VIOLATIONS CONCERNING PRESERVATION OF ELECTRONIC COMMUNICATIONS FOR A PERIOD OF TWO YEARS.</p>
<b>Firm Statement</b>	IB CORP HAS AGREED TO THE ORDER AND TAKEN IMMEDIATE REMEDIAL STEPS. DURING THE RELEVANT PERIOD, IB CORP REVISED ITS POLICIES AND PROCEDURES, INCREASED TRAINING, ENHANCED SURVEILLANCE EFFORTS, AND IMPLEMENTED TECHNOLOGICAL IMPROVEMENTS IN AN



EFFORT TO ADDRESS THE RISK OF STAFF ENGAGING IN OFF-CHANNEL COMMUNICATIONS. PRIOR TO RECEIPT OF THE CFTC'S INQUIRY, IB CORP MADE INVESTMENTS IN NEW TECHNOLOGIES AND ALSO TOOK PROACTIVE STEPS TO BRING ONBOARD AND PRESERVE OFF-CHANNEL COMMUNICATIONS.

## Disclosure 2 of 3

### Reporting Source:

Regulator

### Current Status:

Final

### Allegations:

THE SECURITIES AND EXCHANGE COMMISSION ("COMMISSION") DEEMS IT APPROPRIATE AND IN THE PUBLIC INTEREST THAT PUBLIC ADMINISTRATIVE AND CEASE-AND-DESIST PROCEEDINGS BE, AND HEREBY ARE, AGAINST INTERACTIVE BROKERS CORP. AND INTERACTIVE BROKERS LLC (COLLECTIVELY, "RESPONDENTS" OR "INTERACTIVE"). RESPONDENTS HAVE SUBMITTED AN OFFER OF SETTLEMENT ("OFFER") THAT THE COMMISSION HAS DETERMINED TO ACCEPT. THE COMMISSION FINDS THAT THE FEDERAL SECURITIES LAWS IMPOSE RECORDKEEPING REQUIREMENTS ON BROKER-DEALERS TO ENSURE THAT THEY RESPONSIBLY DISCHARGE THEIR CRUCIAL ROLE IN OUR MARKETS. THE COMMISSION HAS LONG SAID THAT COMPLIANCE WITH THESE REQUIREMENTS IS ESSENTIAL TO INVESTOR PROTECTION AND THE COMMISSION'S EFFORTS TO FURTHER ITS MANDATE OF PROTECTING INVESTORS, MAINTAINING FAIR, ORDERLY, AND EFFICIENT MARKETS, AND FACILITATING CAPITAL FORMATION. THESE PROCEEDINGS ARISE OUT OF THE WIDESPREAD AND LONGSTANDING FAILURE OF INTERACTIVE EMPLOYEES THROUGHOUT THE FIRM, INCLUDING AT SENIOR LEVELS, TO ADHERE TO CERTAIN OF THESE ESSENTIAL REQUIREMENTS AND INTERACTIVE'S OWN POLICIES. USING THEIR PERSONAL DEVICES, THESE EMPLOYEES COMMUNICATED BOTH INTERNALLY AND EXTERNALLY BY PERSONAL TEXT MESSAGES, OR OTHER TEXT MESSAGING PLATFORMS SUCH AS WHATSAPP AND GROUPME ("OFF-CHANNEL COMMUNICATIONS"). FROM AT LEAST JANUARY 2019, INTERACTIVE EMPLOYEES SENT AND RECEIVED OFF-CHANNEL COMMUNICATIONS THAT RELATED TO THE BUSINESS OF THE BROKER-DEALER OPERATED BY INTERACTIVE. RESPONDENTS DID NOT MAINTAIN OR PRESERVE THE SUBSTANTIAL MAJORITY OF THESE WRITTEN COMMUNICATIONS. RESPONDENTS' FAILURE WAS FIRM-WIDE AND INVOLVED EMPLOYEES AT VARIOUS LEVELS OF AUTHORITY. INTERACTIVE'S SUPERVISORS, WHO WERE RESPONSIBLE FOR SUPERVISING JUNIOR EMPLOYEES, COMMUNICATED OFF-CHANNEL USING THEIR PERSONAL DEVICES. IN FACT, CERTAIN DIRECTORS, OFFICERS, AND MANAGERS ACROSS THE FIRM AND SENIOR



SUPERVISORS RESPONSIBLE FOR SUPERVISING JUNIOR EMPLOYEES THEMSELVES FAILED TO COMPLY WITH INTERACTIVE POLICIES BY COMMUNICATING USING NON-FIRM APPROVED METHODS ON THEIR PERSONAL DEVICES ABOUT INTERACTIVE'S BROKER-DEALER BUSINESS. INTERACTIVE'S WIDESPREAD FAILURE TO IMPLEMENT ITS POLICIES AND PROCEDURES THAT PROHIBIT SUCH COMMUNICATIONS LED TO ITS FAILURE TO REASONABLY SUPERVISE ITS EMPLOYEES WITHIN THE MEANING OF SECTION 15(B)(4)(E) OF THE EXCHANGE ACT. DURING THE TIME PERIOD THAT INTERACTIVE FAILED TO MAINTAIN AND PRESERVE OFF-CHANNEL COMMUNICATIONS ITS EMPLOYEES SENT AND RECEIVED RELATED TO THE BROKER-DEALER'S BUSINESS, INTERACTIVE RECEIVED AND RESPONDED TO COMMISSION SUBPOENAS FOR DOCUMENTS AND RECORDS REQUESTS IN A NUMBER OF COMMISSION INVESTIGATIONS. AS A RESULT, INTERACTIVE'S RECORDKEEPING FAILURES LIKELY IMPACTED THE COMMISSION'S ABILITY TO CARRY OUT ITS REGULATORY FUNCTIONS AND INVESTIGATE VIOLATIONS OF THE FEDERAL SECURITIES LAWS ACROSS THESE INVESTIGATIONS. COMMISSION STAFF UNCOVERED INTERACTIVE'S MISCONDUCT AFTER COMMENCING A RISK-BASED INITIATIVE TO INVESTIGATE THE USE OF OFF-CHANNEL AND UNPRESERVED COMMUNICATIONS AT BROKER DEALERS. INTERACTIVE HAS INITIATED A REVIEW OF ITS RECORDKEEPING FAILURES AND BEGUN A PROGRAM OF REMEDIATION. AS A RESULT OF ITS CONDUCT, INTERACTIVE WILLFULLY VIOLATED SECTION 17(A) OF THE EXCHANGE ACT AND RULE 17A-4(B)(4) THEREUNDER AND FAILED TO REASONABLY SUPERVISE THEIR EMPLOYEES WITH A VIEW TO PREVENTING OR DETECTING CERTAIN OF THEIR EMPLOYEES' AIDING AND ABETTING VIOLATIONS OF SECTION 17(A) OF THE EXCHANGE ACT AND RULE 17A-4(B)(4) THEREUNDER, WITHIN THE MEANING OF SECTION 15(B)(4)(E) OF THE EXCHANGE ACT.

<b>Initiated By:</b>	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
<b>Date Initiated:</b>	09/29/2023
<b>Docket/Case Number:</b>	3-21770
<b>Principal Product Type:</b>	No Product
<b>Other Product Type(s):</b>	
<b>Principal Sanction(s)/Relief Sought:</b>	Cease and Desist
<b>Other Sanction(s)/Relief Sought:</b>	
<b>Resolution:</b>	Order
<b>Resolution Date:</b>	09/29/2023





<b>Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?</b>	No
<b>Sanctions Ordered:</b>	Censure Monetary/Fine \$35,000,000.00 Cease and Desist/Injunction
<b>Other Sanctions Ordered:</b>	UNDERTAKINGS
<b>Sanction Details:</b>	THE FIRM WAS ORDERED TO CEASE AND DESIST, IS CENSURED, SHALL PAY A CIVIL MONEY PENALTY OF \$35,000,000 JOINTLY AND SEVERALLY, AND SHALL COMPLY WITH CERTAIN UNDERTAKINGS.
<b>Regulator Statement</b>	<p>INTERACTIVE WILLFULLY VIOLATED SECTION 17(A) OF THE EXCHANGE ACT AND RULE 17A-4(B)(4) THEREUNDER.</p> <p>INTERACTIVE FAILED TO REASONABLY SUPERVISE THEIR EMPLOYEES WITH A VIEW TO PREVENTING OR DETECTING CERTAIN OF THEIR EMPLOYEES' AIDING AND ABETTING VIOLATIONS OF SECTION 17(A) OF THE EXCHANGE ACT AND RULE 17A-4(B)(4) THEREUNDER, WITHIN THE MEANING OF SECTION 15(B)(4)(E) OF THE EXCHANGE ACT.</p> <p>IT IS HEREBY ORDERED THAT INTERACTIVE CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS AND ANY FUTURE VIOLATIONS OF SECTION 17(A) OF THE EXCHANGE ACT AND RULE 17A-4 THEREUNDER, IS CENSURED, SHALL PAY A CIVIL MONEY FINE OF \$35,000,000 JOINTLY AND SEVERALLY, AND SHALL COMPLY WITH UNDERTAKINGS, WHICH INCLUDE, AMONG OTHER THINGS, THAT THE FIRM HIRE AN INDEPENDENT COMPLIANCE CONSULTANT.</p>
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<b>Reporting Source:</b>	Firm
<b>Current Status:</b>	Final
<b>Allegations:</b>	<p>FROM AT LEAST JANUARY 2019 THROUGH SEPTEMBER 2023, INTERACTIVE BROKERS CORP (IB CORP) EMPLOYEES SENT AND RECEIVED OFF-CHANNEL COMMUNICATIONS THAT RELATED TO THE BUSINESS OF THE BROKER-DEALER. IB CORP DID NOT MAINTAIN OR PRESERVE THE SUBSTANTIAL MAJORITY OF THESE WRITTEN COMMUNICATIONS. AS A RESULT, IB CORP (1) WILLFULLY VIOLATED SECTION 17(A) OF THE EXCHANGE ACT AND RULE 17A-4(B)(4) THEREUNDER, WHICH REQUIRE BROKER-DEALERS TO PRESERVE FOR AT LEAST THREE YEARS ORIGINALS OF ALL COMMUNICATIONS RECEIVED AND COPIES OF ALL COMMUNICATIONS SENT RELATING TO ITS BUSINESS AS SUCH; AND (2) FAILED REASONABLY TO SUPERVISE ITS EMPLOYEES WITH A VIEW TO</p>





PREVENTING OR DETECTING CERTAIN OF ITS EMPLOYEES' AIDING AND ABETTING VIOLATIONS OF SECTION 17(A) OF THE EXCHANGE ACT AND RULE 17A-4(B)(4) THEREUNDER, WITHIN THE MEANING OF SECTION 15(B)(4)(E) OF THE EXCHANGE ACT.

**Initiated By:** SECURITIES EXCHANGE COMMISSION

**Date Initiated:** 11/18/2022

**Docket/Case Number:** 3-21770

**Principal Product Type:** No Product

**Other Product Type(s):**

**Principal Sanction(s)/Relief Sought:** Civil and Administrative Penalt(ies) /Fine(s)

**Other Sanction(s)/Relief Sought:** CENSURE, CEASE AND DESIST, COMPLY WITH SPECIFIED UNDERTAKINGS

**Resolution:** Order

**Resolution Date:** 09/29/2023

**Sanctions Ordered:** Censure  
Monetary/Fine \$35,000,000.00  
Cease and Desist/Injunction

**Other Sanctions Ordered:** IB CORP SHALL COMPLY WITH THE UNDERTAKINGS DETAILED IN THE ORDER.

**Sanction Details:** THE CIVIL MONETARY PENALTY WAS JOINTLY ISSUED AGAINST INTERACTIVE BROKERS LLC AND IB CORP.

IN ADDITION TO A CIVIL MONEY PENALTY (PAID ON 10/6/2023), CENSURE, AND AN ORDER TO CEASE AND DESIST FROM COMMITTING OR CAUSING ANY VIOLATIONS AND ANY FUTURE VIOLATIONS OF SECTION 17(A) OF THE EXCHANGE ACT AND RULE 17A-4 THEREUNDER, IB CORP IS ORDERED TO COMPLY WITH THE UNDERTAKINGS LISTED IN THE ORDER. SUCH UNDERTAKINGS INCLUDE THE RETENTION OF AN INDEPENDENT COMPLIANCE CONSULTANT (ICC) TO CONDUCT A COMPREHENSIVE REVIEW OF (AMONG OTHER THINGS) IB CORP'S SUPERVISORY, COMPLIANCE, AND OTHER POLICIES AND PROCEDURES; TRAINING PROGRAMS; SURVEILLANCE PROGRAMS; AND TECHNOLOGICAL SOLUTIONS DESIGNED TO ENSURE THAT IB CORP'S ELECTRONIC COMMUNICATIONS, INCLUDING THOSE FOUND ON PERSONAL ELECTRONIC DEVICES, ARE PRESERVED IN ACCORDANCE WITH THE REQUIREMENTS OF THE FEDERAL SECURITIES LAWS. IB CORP MUST ADOPT ANY RECOMMENDATIONS MADE BY THE ICC (SUBJECT TO CERTAIN LIMITATIONS), AND THE ICC MUST ASSESS IB CORP'S ELECTRONIC



COMMUNICATIONS PRESERVATION PROGRAM ONE YEAR AFTER THE ICC SUBMITS ITS FINDINGS REPORT TO THE SEC.

IN ADDITION, IB CORP SHALL NOTIFY THE SEC OF ANY DISCIPLINE IT IMPOSES ON EMPLOYEES WITH RESPECT TO VIOLATIONS CONCERNING PRESERVATION OF ELECTRONIC COMMUNICATIONS FOR A PERIOD OF TWO YEARS, AND WILL HAVE ITS INTERNAL AUDIT FUNCTION ASSESS ITS ELECTRONIC COMMUNICATIONS PRESERVATION PROGRAM.

#### Firm Statement

IB CORP HAS AGREED TO THE ORDER AND TAKEN IMMEDIATE REMEDIAL STEPS. THE SEC ORDER ACKNOWLEDGED THE REMEDIAL ACTS PROMPTLY UNDERTAKEN BY IB CORP AND THE COOPERATION AFFORDED TO SEC STAFF. DURING THE RELEVANT PERIOD, IB CORP REVISED ITS POLICIES AND PROCEDURES, INCREASED TRAINING, ENHANCED SURVEILLANCE EFFORTS, AND IMPLEMENTED TECHNOLOGICAL IMPROVEMENTS IN AN EFFORT TO ADDRESS THE RISK OF STAFF ENGAGING IN OFF-CHANNEL COMMUNICATIONS. PRIOR TO RECEIPT OF THE COMMISSION'S INQUIRY, IB CORP MADE INVESTMENTS IN NEW TECHNOLOGIES AND ALSO TOOK PROACTIVE STEPS TO BRING ONBOARD AND PRESERVE OFF-CHANNEL COMMUNICATIONS.

#### Disclosure 3 of 3

##### Reporting Source:

Regulator

##### Current Status:

Final

##### Allegations:

NASD MARKETPLACE RULE 6955(A), NASD CONDUCT RULES 2110 AND 3010 - RESPONDENT MEMBER FUTURETRADE SECURITIES, LLC SUBMITTED REPORTS TO OATS THAT WERE NOT IN ELECTRONIC FORM. THE REPORTS WERE REJECTED BY THE OATS SYSTEM AND NOTICE OF SUCH WAS MADE AVAILABLE ON THE OATS WEBSITE. RESPONDENT MEMBER DID NOT CORRECT OR REPLACE ANY OF THE SUBJECT REPORTS, RESULTING IN AN INACCURATE AND/OR INCOMPLETE AUDIT TRAIL. RESPONDENT MEMBER FAILED TO SUBMIT REQUIRED INFORMATION TO OATS ON 28 BUSINESS DAYS. RESPONDENT MEMBER TRANSMITTED REPORTS TO OATS THAT CONTAINED INACCURATE, INCOMPLETE, OR IMPROPERLY FORMATTED DATA. RESPONDENT MEMBER'S SUPERVISORY SYSTEM DID NOT PROVIDE FOR SUPERVISION REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH RESPECT TO THE APPLICABLE SECURITIES LAWS NASD REGULATIONS, AND THE RULES OF NASD, CONCERNING OATS.

##### Initiated By:

NASD

##### Date Initiated:

08/19/2004

##### Docket/Case Number:

CMS040116



**Principal Product Type:** No Product

**Other Product Type(s):**

**Principal Sanction(s)/Relief Sought:**

**Other Sanction(s)/Relief Sought:**

**Resolution:** Acceptance, Waiver & Consent(AWC)

**Resolution Date:** 08/19/2004

**Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?** No

**Sanctions Ordered:** Censure  
Monetary/Fine \$35,000.00

**Other Sanctions Ordered:** UNDERTAKING - REVISE THE FIRM'S WRITTEN SUPERVISORY PROCEDURES WITH RESPECT TO THE MATTERS IN THIS AWC. WITHIN 30 BUSINESS DAYS OF ACCEPTANCE OF THIS AWC BY THE NAC, A REGISTERED PRINCIPAL OF THE FIRM SHALL SUBMIT TO NASD, A SIGNED, DATED LETTER, PROVIDING THE FOLLOWING INFORMATION: (1) A REFERENCE TO THIS MATTER; (2) A REPRESENTATION THAT THE FIRM HAS REVISED ITS WRITTEN SUPERVISORY PROCEDURES TO ADDRESS THE MATTERS IN THE AWC; AND (3) THE DATE THE REVISED PROCEDURES WERE IMPLEMENTED.

**Sanction Details:** WITHOUT ADMITTING OR DENYING THE ALLEGATIONS, THE RESPONDENT MEMBER CONSENTED TO THE FINDING OF THE ALLEGATIONS AND TO THE FOLLOWING SANCTIONS: CENSURED AND FINED \$35,000.00 (COMPOSED OF A \$30,000 FINE FOR THE OATS VIOLATIONS AND A \$5,000 FINE FOR THE SUPERVISORY PROCEDURE VIOLATIONS).

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**Reporting Source:** Firm

**Current Status:** Final

**Allegations:** ALLEGED VIOLATIONS OF NASD MARKETPLACE RULE 6955(A), NASD CONDUCT RULES 2110 AND 3010.

**Initiated By:** NASDR

**Date Initiated:** 08/19/2004



**Docket/Case Number:** CMS040116

**Principal Product Type:** Equity - OTC

**Other Product Type(s):**

**Principal Sanction(s)/Relief Sought:** Censure

**Other Sanction(s)/Relief Sought:**

**Resolution:** Acceptance, Waiver & Consent(AWC)

**Resolution Date:** 08/19/2004

**Sanctions Ordered:** Censure  
Monetary/Fine \$35,000.00

**Other Sanctions Ordered:** THE FIRM WAS REQUIRED TO UPDATE ITS WRITTEN SUPERVISORY PROCEDURES.

**Sanction Details:** NONE

**Firm Statement** THE FIRM ACCEPTD AND CONSENTED, WITHOUT ADMITTING OR DENYING THE UNDERLYING ALLEGATIONS TO A FINDING THAT IT DID NOT APPROPRIATELY SUBMIT AND/OR CORRECT OATS FILES IT TRANSMITTED TO THE NASD.



## Arbitration Award - Award / Judgment

Brokerage firms are not required to report arbitration claims filed against them by customers; however, BrokerCheck provides summary information regarding FINRA arbitration awards involving securities and commodities disputes between public customers and registered securities firms in this section of the report.

The full text of arbitration awards issued by FINRA is available at [www.finra.org/awardsonline](http://www.finra.org/awardsonline).

### Disclosure 1 of 1

<b>Reporting Source:</b>	Regulator
<b>Type of Event:</b>	ARBITRATION
<b>Allegations:</b>	ACCOUNT ACTIVITY-BRCH OF FIDUCIARY DT; ACCOUNT RELATED-NEGLIGENCE
<b>Arbitration Forum:</b>	FINRA
<b>Case Initiated:</b>	10/05/2023
<b>Case Number:</b>	23-02651
<b>Disputed Product Type:</b>	OTHER TYPES OF SECURITIES
<b>Sum of All Relief Requested:</b>	\$18,203.00
<b>Disposition:</b>	AWARD AGAINST PARTY
<b>Disposition Date:</b>	04/01/2024
<b>Sum of All Relief Awarded:</b>	\$44,327.00

There may be a non-monetary award associated with this arbitration.  
Please select the Case Number above to view more detailed information.

Disclosure Events for Non-Registered Control Affiliates



All firms registered to sell securities or provide investment advice are required to disclose regulatory actions, criminal or civil judicial proceedings, and certain financial matters in which the firm or one of its control affiliates has been involved. For your convenience, below is a matrix of the number and status of disclosure events involving this brokerage firm or one of its control affiliates. Further information regarding these events can be found in the subsequent pages of this report.

	Pending	Final	On Appeal
Regulatory Event	0	18	0



## Disclosure Event Details

### Regulatory - Final

#### Disclosure 1 of 18

<b>Reporting Source:</b>	Firm
<b>Affiliate:</b>	INTERACTIVE BROKERS AUSTRALIA PTY LTD
<b>Current Status:</b>	Final
<b>Allegations:</b>	THE MARKET DISCIPLINARY PANEL ("MDP") FOUND THAT FROM FEBRUARY 2021 THROUGH OCTOBER 2021, INTERACTIVE BROKERS AUSTRALIA PTY LTD ALLOWED A CLIENT TO PLACE CERTAIN ORDERS WHEN THEY SHOULD HAVE SUSPECTED THE CLIENT WAS PLACING THOSE ORDERS WITH THE INTENTION OF INCREASING THE CLOSING PRICE IN A PARTICULAR AUSTRALIAN STOCK EXCHANGE LISTED EQUITY, THEREBY CREATING A FALSE OR MISLEADING APPEARANCE WITH RESPECT TO THE PRICE OF THE EQUITY. ALTHOUGH THE CLIENT'S TRADING TRIGGERED ALERTS IN THE FIRM'S SURVEILLANCE SYSTEMS AND THE FIRM ATTEMPTED TO CONTACT THE CLIENT TO SEEK AN EXPLANATION FOR THE CLIENT'S TRADING STRATEGY, THE FIRM ALLOWED THE CLIENT TO CONTINUE TRADING DURING THIS TIME AND PLACE OTHER SUSPICIOUS ORDERS.
<b>Initiated By:</b>	AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION ("ASIC")
<b>Date Initiated:</b>	03/21/2023
<b>Docket/Case Number:</b>	MDP 0321/23
<b>Principal Product Type:</b>	Equity Listed (Common & Preferred Stock)
<b>Other Product Type(s):</b>	
<b>Principal Sanction(s)/Relief Sought:</b>	Civil and Administrative Penalt(ies) /Fine(s)
<b>Other Sanction(s)/Relief Sought:</b>	
<b>Resolution:</b>	Consent
<b>Resolution Date:</b>	09/06/2023
<b>Sanctions Ordered:</b>	Monetary/Fine \$832,500.00
<b>Other Sanctions Ordered:</b>	
<b>Sanction Details:</b>	INTERACTIVE BROKERS AUSTRALIA PTY LTD PAID A PENALTY OF 832,500 AUD.
<b>Firm Statement</b>	INTERACTIVE BROKERS AUSTRALIA PTY LTD TAKES ITS REGULATORY AND



COMPLIANCE OBLIGATIONS VERY SERIOUSLY AND, AS NOTED BY THE ASIC MDP, HAS TAKEN A NUMBER OF REMEDIAL STEPS SINCE 2021 WHICH WERE A COMPREHENSIVE RESPONSE TO THE ISSUES RAISED BY THIS MATTER.

## Disclosure 2 of 18

<b>Reporting Source:</b>	Firm
<b>Affiliate:</b>	INTERACTIVE BROKERS SECURITIES JAPAN, INC.
<b>Current Status:</b>	Final
<b>Allegations:</b>	JAPAN EXCHANGE REGULATION ("JPX-R") ALLEGED THAT THE TRADE SURVEILLANCE SYSTEM USED BY INTERACTIVE BROKERS SECURITIES JAPAN, INC. ("IB JAPAN") WAS DEFICIENT IN THAT IT DID NOT PREVENT UNFAIR TRADING IN VIOLATION OF TOKYO STOCK EXCHANGE ("TSE") ARTICLE 4-1, 4-3 AND 4-4, AND FINANCIAL INSTRUMENTS AND EXCHANGE ACT ("FIEA") CABINET ORDINANCE ARTICLE 123-1-12.
<b>Initiated By:</b>	JAPAN EXCHANGE REGULATION (JPX-R)
<b>Date Initiated:</b>	04/18/2016
<b>Docket/Case Number:</b>	NOT APPLICABLE
<b>Principal Product Type:</b>	Equity Listed (Common & Preferred Stock)
<b>Other Product Type(s):</b>	
<b>Principal Sanction(s)/Relief Sought:</b>	Civil and Administrative Penalt(ies) /Fine(s)
<b>Other Sanction(s)/Relief Sought:</b>	
<b>Resolution:</b>	Other
<b>Resolution Date:</b>	03/01/2018
<b>Sanctions Ordered:</b>	Monetary/Fine \$40,000,000.00
<b>Other Sanctions Ordered:</b>	TOTAL FINE OF 40,000,000 JAPANESE YEN PAID AS FOLLOWS: 20,000,000 JAPANESE YEN TO JAPAN EXCHANGE GROUP ("JPX") AND 20,000,000 JAPANESE YEN TO JAPANESE SECURITIES DEALERS ASSOCIATION ("JSDA").
<b>Sanction Details:</b>	NA
<b>Firm Statement</b>	IB JAPAN IMPLEMENTED PROCEDURES, PROVIDED TRAINING AND ENHANCED IB JAPAN'S TRADE SURVEILLANCE SYSTEM TO ADDRESS THE JPX-R ALLEGATIONS THAT THE TRADE SURVEILLANCE SYSTEM USED BY





IB JAPAN WAS DEFICIENT IN THAT IT DID NOT PREVENT UNFAIR TRADING  
IN VIOLATION OF TSE AND FIEA RULES.

### Disclosure 3 of 18

<b>Reporting Source:</b>	Firm
<b>Affiliate:</b>	INTERACTIVE BROKERS INDIA PRIVATE LIMITED
<b>Current Status:</b>	Final
<b>Allegations:</b>	INTERACTIVE BROKERS INDIA PRIVATE LIMITED ("IB INDIA") IS REQUIRED TO SETTLE ALL CLIENT TRADING ACCOUNTS ON A MONTHLY BASIS BY RETURNING FUNDS NOT BEING USED (IDLE FUNDS) TO SUPPORT MARGIN REQUIREMENTS TO THE CLIENT'S BANK ACCOUNT. IB INDIA IS ALSO REQUIRED TO SEGREGATE SHARES REQUIRED FOR PURPOSES OF MARGIN TRANSACTIONS AND ON A QUARTERLY BASIS RETURN SHARES NOT USED FOR MARGIN TRANSACTIONS BACK TO THE IB INDIA CLIENT. IB INDIA SYSTEMS REQUIRED IB CLIENT ACCOUNTS TO MAINTAIN VALID STANDING WIRE INSTRUCTIONS, OTHERWISE IB INDIA HAD TO MANUALLY ESTABLISH A WIRE INSTRUCTION TO RETURN IDLE FUNDS TO THE CLIENT'S BANK ACCOUNT. NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE") INSPECTION STAFF DETERMINED THAT IB INDIA ALLEGEDLY FAILED TO RETURN IDLE FUNDS TO CERTAIN IB INDIA CLIENT'S BANK ACCOUNTS, AND FAILED TO SEGREGATE SHARES, OR ON A QUARTERLY BASIS RETURN SHARES NOT REQUIRED FOR MARGIN REQUIREMENTS TO CERTAIN IB INDIA CLIENTS, AS REQUIRED BY THE RULES OF THE NSE AND THE STOCK EXCHANGE BOARD OF INDIA ("SEBI").
<b>Initiated By:</b>	NATIONAL STOCK EXCHANGE OF INDIA LIMITED
<b>Date Initiated:</b>	11/18/2014
<b>Docket/Case Number:</b>	NSE/INSP/ICMA-189/CMFOCDS/REG/15-16/ACT/12880 (DATED 14-DEC-2015)
<b>Principal Product Type:</b>	No Product
<b>Other Product Type(s):</b>	
<b>Principal Sanction(s)/Relief Sought:</b>	Civil and Administrative Penalt(ies) /Fine(s)
<b>Other Sanction(s)/Relief Sought:</b>	
<b>Resolution:</b>	Order
<b>Resolution Date:</b>	06/08/2016
<b>Sanctions Ordered:</b>	Monetary/Fine \$60,000.00



<b>Other Sanctions Ordered:</b>	60,000 INR
<b>Sanction Details:</b>	NA
<b>Firm Statement</b>	<p>INTERACTIVE BROKERS INDIA PRIVATE LIMITED ("IB INDIA") IS REQUIRED TO SETTLE ALL CLIENT TRADING ACCOUNTS ON A MONTHLY BASIS BY RETURNING FUNDS NOT BEING USED (IDLE FUNDS) TO SUPPORT MARGIN REQUIREMENTS TO THE CLIENT'S BANK ACCOUNT. IB INDIA IS ALSO REQUIRED TO SEGREGATE SHARES REQUIRED FOR PURPOSES OF MARGIN TRANSACTIONS AND ON A QUARTERLY BASIS RETURN SHARES NOT USED FOR MARGIN TRANSACTIONS BACK TO THE IB INDIA CLIENT. NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE") INSPECTION STAFF DETERMINED THAT IB INDIA ALLEGEDLY FAILED TO RETURN IDLE FUNDS TO CERTAIN IB INDIA CLIENT'S BANK ACCOUNTS, AND FAILED TO SEGREGATE SHARES, OR ON A QUARTERLY BASIS RETURN SHARES NOT REQUIRED FOR MARGIN REQUIREMENTS TO CERTAIN IB INDIA CLIENTS, AS REQUIRED BY THE RULES OF THE NSE AND THE STOCK EXCHANGE BOARD OF INDIA ("SEBI"). IB INDIA RECTIFIED THESE INSTANCES POST-INSPECTION BY RETURNING IDLE FUNDS TO THE IDENTIFIED CLIENT BANK ACCOUNTS, AND IB INDIA IS IN THE PROCESS OF AUTOMATING THE CREATION OF WIRE WITHDRAWAL INSTRUCTIONS FOR EACH IB INDIA CLIENT ACCOUNT. IB INDIA RECTIFIED THE ISSUES RELATED TO FAILING TO SEGREGATE SHARES FOR MARGIN, OR RETURN SHARES NOT REQUIRED FOR MARGIN TRANSACTIONS TO IB INDIA CLIENTS, BY TERMINATING ITS MARGIN TRADING FACILITY.</p>

#### Disclosure 4 of 18

<b>Reporting Source:</b>	Firm
<b>Affiliate:</b>	INTERACTIVE BROKERS INDIA PRIVATE LIMITED
<b>Current Status:</b>	Final
<b>Allegations:</b>	<p>INTERACTIVE BROKERS INDIA PRIVATE LIMITED ("IB INDIA") IS REQUIRED TO SETTLE ALL CLIENT TRADING ACCOUNTS ON A MONTHLY BASIS BY RETURNING FUNDS NOT BEING USED (IDLE FUNDS) TO SUPPORT MARGIN REQUIREMENTS TO THE CLIENT'S BANK ACCOUNT. IB INDIA SYSTEMS REQUIRED IB CLIENT ACCOUNTS TO MAINTAIN VALID STANDING WIRE INSTRUCTIONS, OTHERWISE IB INDIA HAD TO MANUALLY ESTABLISH A WIRE INSTRUCTION TO RETURN IDLE FUNDS TO THE CLIENT'S BANK ACCOUNT. IN CERTAIN INSTANCES, INCLUDING NEWLY ESTABLISHED IB INDIA CLIENT ACCOUNTS THAT DID NOT INITIAIALLY ESTABLISH STANDING WIRE INSTRUCTIONS, NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE") INSPECTION STAFF DETERMINED THAT IB INDIA ALLEGEDLY FAILED TO RETURN IDLE FUNDS TO THESE IB INDIA CLIENT'S BANK ACCOUNTS.</p>



<b>Initiated By:</b>	NATIONAL STOCK EXCHANGE OF INDIA LIMITED
<b>Date Initiated:</b>	10/01/2011
<b>Docket/Case Number:</b>	NSE/INSP/ICMA-86/CMFOCDs/REG/2011-12/ACT/12880 (DATED 13-DEC-2011)
<b>Principal Product Type:</b>	No Product
<b>Other Product Type(s):</b>	
<b>Principal Sanction(s)/Relief Sought:</b>	Civil and Administrative Penalt(ies) /Fine(s)
<b>Other Sanction(s)/Relief Sought:</b>	
<b>Resolution:</b>	Order
<b>Resolution Date:</b>	03/09/2012
<b>Sanctions Ordered:</b>	Monetary/Fine \$10,000.00
<b>Other Sanctions Ordered:</b>	10,000 INDIA RUPEES (INR)
<b>Sanction Details:</b>	NA
<b>Firm Statement</b>	INTERACTIVE BROKERS INDIA PRIVATE LIMITED ("IB INDIA") IS REQUIRED TO SETTLE ALL CLIENT TRADING ACCOUNTS ON A MONTHLY BASIS BY RETURNING FUNDS NOT BEING USED (IDLE FUNDS) TO SUPPORT MARGIN REQUIREMENTS TO THE CLIENT'S BANK ACCOUNT. NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE") INSPECTION STAFF DETERMINED THAT IB INDIA FAILED TO RETURN IDLE FUNDS TO CERTAIN IB INDIA CLIENT BANK ACCOUNTS. IB INDIA RECTIFIED THESE INSTANCES POST-INSPECTION BY RETURNING IDLE FUNDS TO THE IDENTIFIED CLIENT BANK ACCOUNTS, AND IS IN THE PROCESS OF AUTOMATING THE CREATION OF WIRE WITHDRAWAL INSTRUCTIONS FOR EACH IB INDIA CLIENT ACCOUNT.

#### Disclosure 5 of 18

<b>Reporting Source:</b>	Firm
<b>Affiliate:</b>	INTERACTIVE BROKERS INDIA PRIVATE LIMITED
<b>Current Status:</b>	Final
<b>Allegations:</b>	INTERACTIVE BROKERS INDIA PRIVATE LIMITED ("IB INDIA") IS REQUIRED TO SETTLE ALL CLIENT TRADING ACCOUNTS ON A MONTHLY BASIS BY RETURNING FUNDS NOT BEING USED (IDLE FUNDS) TO SUPPORT MARGIN REQUIREMENTS TO THE CLIENT'S BANK ACCOUNT. IB INDIA SYSTEMS REQUIRED IB CLIENT ACCOUNTS TO MAINTAIN VALID STANDING WIRE INSTRUCTIONS, OTHERWISE IB INDIA HAD TO MANUALLY ESTABLISH A



WIRE INSTRUCTION TO RETURN IDLE FUNDS TO THE CLIENT'S BANK ACCOUNT. IN CERTAIN INSTANCES, INCLUDING NEWLY ESTABLISHED IB INDIA CLIENT ACCOUNTS THAT DID NOT INITIAIALLY ESTABLISH STANDING WIRE INSTRUCTIONS, NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE") INSPECTION STAFF DETERMINED THAT IB INDIA ALLEGEDLY FAILED TO RETURN IDLE FUNDS TO THESE IB INDIA CLIENT'S BANK ACCOUNTS.

**Initiated By:** NATIONAL STOCK EXCHANGE OF INDIA LIMITED

**Date Initiated:** 08/01/2012

**Docket/Case Number:**

**Principal Product Type:** No Product

**Other Product Type(s):**

**Principal Sanction(s)/Relief Sought:** Civil and Administrative Penalt(ies) /Fine(s)

**Other Sanction(s)/Relief Sought:**

**Resolution:** Order

**Resolution Date:** 01/02/2013

**Sanctions Ordered:** Monetary/Fine \$15,000.00

**Other Sanctions Ordered:** 15,000 INDIA RUPEES (INR)

**Sanction Details:** NA

**Firm Statement** INTERACTIVE BROKERS INDIA PRIVATE LIMITED ("IB INDIA") IS REQUIRED TO SETTLE ALL CLIENT TRADING ACCOUNTS ON A MONTHLY BASIS BY RETURNING FUNDS NOT BEING USED (IDLE FUNDS) TO SUPPORT MARGIN REQUIREMENTS TO THE CLIENT'S BANK ACCOUNT. NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE") INSPECTION STAFF DETERMINED THAT IB INDIA FAILED TO RETURN IDLE FUNDS TO CERTAIN IB INDIA CLIENT BANK ACCOUNTS. IB INDIA RECTIFIED THESE INSTANCES POST-INSPECTION BY RETURNING IDLE FUNDS TO THE IDENTIFIED CLIENT BANK ACCOUNTS, AND IS IN THE PROCESS OF AUTOMATING THE CREATION OF WIRE WITHDRAWAL INSTRUCTIONS FOR EACH IB INDIA CLIENT ACCOUNT.

#### Disclosure 6 of 18

**Reporting Source:** Firm

**Affiliate:** INTERACTIVE BROKERS UK LIMITED

**Current Status:** Final



<b>Allegations:</b>	THE U.K. FINANCIAL CONDUCT AUTHORITY ("FCA") TOOK ACTION BECAUSE IT DETERMINED THAT INTERACTIVE BROKERS (U.K.) LIMITED ("IBUK") BREACHED PRINCIPLE 3 OF THE FCA HANDBOOK BY FAILING TO TAKE REASONABLE CARE TO ORGANISE AND CONTROL ITS AFFAIRS RESPONSIBLY AND EFFECTIVELY WITH ADEQUATE RISK MANAGEMENT SYSTEMS IN RELATION TO THE DETECTION AND REPORTING OF POTENTIAL INSTANCES OF MARKET ABUSE FROM 6 FEBRUARY 2014 TO 28 FEBRUARY 2015 (INCLUSIVE).
<b>Initiated By:</b>	FINANCIAL CONDUCT AUTHORITY
<b>Date Initiated:</b>	07/25/2017
<b>Docket/Case Number:</b>	UK FCA FINAL NOTICE DATED 25 JANUARY 2018
<b>Principal Product Type:</b>	No Product
<b>Other Product Type(s):</b>	
<b>Principal Sanction(s)/Relief Sought:</b>	Civil and Administrative Penalt(ies) /Fine(s)
<b>Other Sanction(s)/Relief Sought:</b>	
<b>Resolution:</b>	Order
<b>Resolution Date:</b>	01/25/2018
<b>Sanctions Ordered:</b>	Monetary/Fine \$1,049,412.00
<b>Other Sanctions Ordered:</b>	1,049,412.00 POUND STERLING
<b>Sanction Details:</b>	NA
<b>Firm Statement</b>	<p>13.PROVIDE A BRIEF SUMMARY OF DETAILS RELATED TO THE ACTION STATUS AND (OR) DISPOSITION AND INCLUDE RELEVANT TERMS, CONDITIONS AND DATES. (THE INFORMATION MUST FIT WITHIN THE SPACE PROVIDED.)</p> <p>THE U.K. FINANCIAL CONDUCT AUTHORITY ("FCA") CONDUCTED AN INQUIRY INTO INTERACTIVE BROKERS (U.K.) LIMITED ("IBUK") POLICIES AND PROCEDURES RELATING TO SUSPICIOUS TRANSACTION REPORTING ("STR") OF POTENTIAL INSIDER DEALING. ON 25TH JULY 2017, THE FCA ISSUED A WARNING NOTICE TO IBUK ALLEGING THAT THE FIRM'S PROCEDURES FOR FILING STRS DURING THE TIME PERIOD FEBRUARY 6, 2014 TO FEBRUARY 28, 2015 WERE INSUFFICIENT AND PROPOSING A MONETARY PENALTY. IBUK FULLY COOPERATED WITH THE INQUIRY, BUT RESPECTFULLY DISAGREED WITH THE FCA'S PROPOSED FINDINGS. THE FCA COMMENCED A PROCEEDING BEFORE THE FCA REGULATORY DECISIONS COMMITTEE ("RDC"), IN WHICH THE FIRM DISPUTED THE FCA'S POSITION. THE RDC CONCLUDED THAT IBUK SHOULD HAVE, BUT DID NOT,</p>



FILE STRS REGARDING TRADING BY TWO IBUK CUSTOMERS. THE RDC ALSO REVIEWED THE SERIOUSNESS OF THE BREACHES AND RECOGNIZED THAT THE PENALTY PROPOSED BY THE FCA WAS DISPROPORTIONATE TO THE BREACHES AND REDUCED IT BY 50%. IBUK ELECTED NOT TO FURTHER APPEAL THIS FINE. SINCE THE PERIOD OF THE BREACHES, IBUK HAS IMPLEMENTED SIGNIFICANT IMPROVEMENTS TO ITS SYSTEMS AND CONTROLS FOR DETECTING AND REPORTING POTENTIAL INSIDER DEALING. THE RDC RECOGNIZED THAT THE INCREASED NUMBER OF STRS REPORTED BY IBUK WAS LIKELY DUE TO THESE IMPROVEMENTS IBUK UNDERSTANDS ITS IMPORTANT ROLE IN COMBATING INSIDER DEALING BY BRINGING SUSPICIOUS TRADES TO THE FCA'S ATTENTION. WHEN THE FCA FIRST INDICATED TO IBUK IN LATE 2014 THAT THE FCA EXPECTED THE FIRM TO APPLY DIFFERENT STANDARDS IN CONDUCTING SURVEILLANCE OF AND REPORTING POTENTIAL INSIDER TRADING, IBUK PROMPTLY REVISED ITS SURVEILLANCE PROCEDURES, INCLUDING ADDING A NEW SURVEILLANCE REPORT THAT MEETS IBUK REGULATORY OBLIGATIONS. IBUK HAS INFORMED THE FCA OF THE PARAMETERS OF THE FIRM'S REVISED INSIDER DEALING SURVEILLANCE PROCEDURES, WITHOUT OBJECTION, AND THE FCA HAS VERBALLY CONFIRMED THAT THE NUMBER OF STRS FILED FOLLOWING THAT REVIEW IS SATISFACTORY.

#### Disclosure 7 of 18

<b>Reporting Source:</b>	Firm
<b>Affiliate:</b>	TIMBER HILL CANADA COMPANY
<b>Current Status:</b>	Final
<b>Allegations:</b>	TIMBER HILL CANADA COMPANY ADMITTED THAT, AMONG OTHER VIOLATIONS, THAT IT FAILED TO ENSURE THAT ITS RISK ADJUSTED CAPITAL WAS CALCULATED IN ACCORDANCE WITH THE RULES PRESCRIBED BY THE INVESTMENT DEALERS ASSOCIATION AND, CONSEQUENTLY, REPORTED INACCURATE FINANCIAL INFORMATION IN ITS MONTHLY FINANCIAL REPORTS FILED TO THE ASSOCIATION.
<b>Initiated By:</b>	INVESTMENT DEALERS ASSOCIATION OF CANADA ("IDA"), NOW KNOWN AS INVESTMENT INDUSTRY REGULATORY ORGANIZATION OF CANADA ("IIROC").
<b>Date Initiated:</b>	01/27/2003
<b>Docket/Case Number:</b>	NOT APPLICABLE
<b>Principal Product Type:</b>	No Product
<b>Other Product Type(s):</b>	



<b>Principal Sanction(s)/Relief Sought:</b>	Civil and Administrative Penalt(ies) /Fine(s)
<b>Other Sanction(s)/Relief Sought:</b>	
<b>Resolution:</b>	Settled
<b>Resolution Date:</b>	02/15/2005
<b>Sanctions Ordered:</b>	Monetary/Fine \$40,000.00
<b>Other Sanctions Ordered:</b>	FINE OF 40,000.00 CANADIAN DOLLARS (CDN) AND COSTS OF 3,500.00 CANADIAN DOLLARS (CDN) TO INVESTMENT DEALERS ASSOCIATION ("IDA").
<b>Sanction Details:</b>	NA
<b>Firm Statement</b>	<p>13.PROVIDE A BRIEF SUMMARY OF DETAILS RELATED TO THE ACTION STATUS AND (OR) DISPOSITION AND INCLUDE RELEVANT TERMS, CONDITIONS AND DATES. (THE INFORMATION MUST FIT WITHIN THE SPACE PROVIDED.)</p> <p>TIMBER HILL CANADA COMPANY REVISED ITS POLICIES AND PROCEDURES TO ENSURE IT CALCULATED RISK ADJUSTED CAPITAL ACCORDING TO A METHODOLOGY THAT ENSURED COMPLIANCE WITH IDA RULE 100 AND WHICH WAS APPROVED BY THE IDA AS PART OF THE SETTLEMENT AGREEMENT ENTERED INTO CONCERNING THIS MATTER.</p>

#### Disclosure 8 of 18

<b>Reporting Source:</b>	Firm
<b>Affiliate:</b>	INTERACTIVE BROKERS INDIA PRIVATE LIMITED
<b>Current Status:</b>	Final
<b>Allegations:</b>	<p>INTERACTIVE BROKERS INDIA PRIVATE LIMITED ("IB INDIA") IS REQUIRED TO SETTLE ALL CLIENT TRADING ACCOUNTS ON A MONTHLY BASIS BY RETURNING FUNDS NOT BEING USED (IDLE FUNDS) TO SUPPORT MARGIN REQUIREMENTS TO THE CLIENT'S BANK ACCOUNT. IB INDIA IS ALSO REQUIRED TO SEGREGATE SHARES REQUIRED FOR PURPOSES OF MARGIN TRANSACTIONS AND ON A QUARTERLY BASIS RETURN SHARES NOT USED FOR MARGIN TRANSACTIONS BACK TO THE IB INDIA CLIENT. IB INDIA SYSTEMS REQUIRED IB CLIENT ACCOUNTS TO MAINTAIN VALID STANDING WIRE INSTRUCTIONS, OTHERWISE IB INDIA HAD TO MANUALLY ESTABLISH A WIRE INSTRUCTION TO RETURN IDLE FUNDS TO THE CLIENT'S BANK ACCOUNT. NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE") INSPECTION STAFF DETERMINED THAT IB INDIA ALLEGEDLY FAILED TO RETURN IDLE FUNDS TO CERTAIN IB INDIA CLIENT'S BANK ACCOUNTS,</p>



AND FAILED TO SEGREGATE SHARES, OR ON A QUARTERLY BASIS RETURN SHARES NOT REQUIRED FOR MARGIN REQUIREMENTS TO CERTAIN IB INDIA CLIENTS, AS REQUIRED BY THE RULES OF THE NSE AND THE STOCK EXCHANGE BOARD OF INDIA ("SEBI"); AND THAT THE FOREGOING RESULTED IN NON-COMPLIANCE WITH CERTAIN CLIENT REGISTRATION AND ANTI-MONEY LAUNDERING REQUIREMENTS.

**Initiated By:** NATIONAL STOCK EXCHANGE OF INDIA LIMITED

**Date Initiated:** 01/03/2018

**Docket/Case Number:** NSE/INSP/ICMA-289/IAR/ACT/12880

**Principal Product Type:** No Product

**Other Product Type(s):**

**Principal Sanction(s)/Relief Sought:** Civil and Administrative Penalt(ies) /Fine(s)

**Other Sanction(s)/Relief Sought:**

**Resolution:** Settled

**Resolution Date:** 12/24/2018

**Sanctions Ordered:** Monetary/Fine \$3,500.00

**Other Sanctions Ordered:** 3,500.00 INR

**Sanction Details:** NA

**Firm Statement**

13.PROVIDE A BRIEF SUMMARY OF DETAILS RELATED TO THE ACTION STATUS AND (OR) DISPOSITION AND INCLUDE RELEVANT TERMS, CONDITIONS AND DATES. (THE INFORMATION MUST FIT WITHIN THE SPACE PROVIDED.)

INTERACTIVE BROKERS INDIA PRIVATE LIMITED ("IB INDIA") IS REQUIRED TO SETTLE ALL CLIENT TRADING ACCOUNTS ON A MONTHLY BASIS BY RETURNING FUNDS NOT BEING USED (IDLE FUNDS) TO SUPPORT MARGIN REQUIREMENTS TO THE CLIENT'S BANK ACCOUNT. IB INDIA IS ALSO REQUIRED TO SEGREGATE SHARES REQUIRED FOR PURPOSES OF MARGIN TRANSACTIONS AND ON A QUARTERLY BASIS RETURN SHARES NOT USED FOR MARGIN TRANSACTIONS BACK TO THE IB INDIA CLIENT. NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE") INSPECTION STAFF DETERMINED THAT IB INDIA ALLEGEDLY FAILED TO RETURN IDLE FUNDS TO CERTAIN IB INDIA CLIENT'S BANK ACCOUNTS, AND FAILED TO SEGREGATE SHARES, OR ON A QUARTERLY BASIS RETURN SHARES NOT REQUIRED FOR MARGIN REQUIREMENTS TO CERTAIN IB INDIA CLIENTS, AS REQUIRED BY THE RULES OF THE NSE AND THE STOCK EXCHANGE BOARD OF INDIA ("SEBI"); AND THAT THE FOREGOING RESULTED IN NON-





COMPLIANCE WITH CERTAIN CLIENT REGISTRATION AND ANTI-MONEY LAUNDERING REQUIREMENTS. IB INDIA RECTIFIED THESE INSTANCES POST-INSPECTION BY RETURNING IDLE FUNDS TO THE IDENTIFIED CLIENT BANK ACCOUNTS, AND IB INDIA IS IN THE PROCESS OF AUTOMATING THE CREATION OF WIRE WITHDRAWAL INSTRUCTIONS FOR EACH IB INDIA CLIENT ACCOUNT. IB INDIA RECTIFIED THE ISSUES RELATED TO FAILING TO SEGREGATE SHARES HELD FOR MARGIN TRANSACTIONS, OR RETURN SHARES NOT REQUIRED FOR MARGIN TRANSACTIONS TO IB INDIA CLIENTS, BY TERMINATING ITS MARGIN TRADING FACILITY, WHICH ALSO SERVED TO RECTIFY THE ISSUES RELATED TO CLIENT REGISTRATION AND ANTI-MONEY LAUNDERING REQUIREMENTS.

#### Disclosure 9 of 18

<b>Reporting Source:</b>	Firm
<b>Affiliate:</b>	TIMBER HILL EUROPE AG
<b>Current Status:</b>	Final
<b>Allegations:</b>	ACCORDING TO NOREX MEMBER RULES (NMR) ITEM 4.6.1, ORDERS PLACED IN THE ORDER BOOK MUST REFLECT THE CURRENT MARKET VALUE OF THE INSTRUMENT IN QUESTION. ACCORDING TO THE NMR ITEM 4.9.3 AND 4.9.4, A MEMBER ALSO HAS THE SAME RESPONSIBILITY FOR ORDERS BROKERED TO THE STOCKHOLM STOCK EXCHANGE VIA THE AUTOMATIC ORDER BROKERAGE SYSTEM FOR ORDERS PLACED IN ANOTHER MANNER, AND THE MEMBER MUST TAKE SUITABLE TECHNICAL AND ADMINISTRATIVE ACTIONS TO ENSURE THAT AN ORDER BROKERED BY THE AUTOMATIC ORDER BROKERAGE SYSTEM DOES NOT BREACH NMR. TIMBER HILL EUROPE AG ("THE") (NOW KNOWN AS IBKR FINANCIAL SERVICES AG) ALLEGEDLY PLACED BUY AND SELL ORDERS ON THREE OCCASIONS THAT DEVIATED FROM THE REGULATIONS, NOREX MEMBER RULES 4.9.3 AND 4.9.4.
<b>Initiated By:</b>	STOCKHOLM STOCK EXCHANGE, DISCIPLINARY COMMITTEE.
<b>Date Initiated:</b>	12/09/2005
<b>Docket/Case Number:</b>	RULING 2007:3
<b>Principal Product Type:</b>	Equity Listed (Common & Preferred Stock)
<b>Other Product Type(s):</b>	
<b>Principal Sanction(s)/Relief Sought:</b>	Civil and Administrative Penalt(ies) /Fine(s)
<b>Other Sanction(s)/Relief Sought:</b>	FINE OF 200,000 SWEDISH KRONA (SEK).



<b>Resolution:</b>	Settled
<b>Resolution Date:</b>	04/11/2007
<b>Sanctions Ordered:</b>	Monetary/Fine \$200,000.00
<b>Other Sanctions Ordered:</b>	TOTAL FINE OF 200,000 SWEDISH KRONA (SEK).
<b>Sanction Details:</b>	NA
<b>Firm Statement</b>	THE TRADING SYSTEM OF TIMBER HILL EUROPE AG ("THE") (NOW KNOWN AS IBKR FINANCIAL SERVICES AG) HAS BEEN ADAPTED TO THE STOCKHOLM STOCK EXCHANGE'S REQUIREMENTS AND INTERNAL CONTROLS HAVE BEEN IMPLEMENTED.

#### Disclosure 10 of 18

<b>Reporting Source:</b>	Firm
<b>Affiliate:</b>	TIMBER HILL EUROPE AG
<b>Current Status:</b>	Final
<b>Allegations:</b>	TWO EXECUTIVE DIRECTORS OF TIMBER HILL EUROPE AG ("THE") (NOW KNOWN AS IBKR FINANCIAL SERVICES AG) WERE FINED DUE TO A PROGRAMMING ERROR IN THE AUTOMATED COMPUTER SYSTEM USED TO EXECUTE SELF-TRADES THAT RESULTED IN THREE INADVERTENT SELF-TRADES. THE PROGRAMMING ERROR CONSTRAINED THE ROUNDING OF BID/OFFER SPREADS TO LESS THAN 5% DURING AN AUCTION AND THUS PRODUCED A MATCHING BID AND OFFER FOR A STOCK THAT HAD DECLINED IN VALUE AND BECAME VERY LOW PRICED.
<b>Initiated By:</b>	FINANCIAL MARKET AUTHORITY ("FMA") AUSTRIA.
<b>Date Initiated:</b>	04/27/2010
<b>Docket/Case Number:</b>	FMA-UL0001.100/0009-LAW/20010
<b>Principal Product Type:</b>	Equity Listed (Common & Preferred Stock)
<b>Other Product Type(s):</b>	
<b>Principal Sanction(s)/Relief Sought:</b>	Civil and Administrative Penalt(ies) /Fine(s)
<b>Other Sanction(s)/Relief Sought:</b>	FINE OF 16,500 EUROS
<b>Resolution:</b>	Settled
<b>Resolution Date:</b>	03/26/2012



<b>Sanctions Ordered:</b>	Monetary/Fine \$16,500.00
<b>Other Sanctions Ordered:</b>	FINE OF 16,500 EUROS.
<b>Sanction Details:</b>	NA
<b>Firm Statement</b>	THE TRADING SYSTEM OF TIMBER HILL EUROPE AG ("THE") (NOW KNOWN AS IBKR FINANCIAL SERVICES AG) HAS BEEN ADAPTED TO THE VIENNA STOCK EXCHANGE'S REQUIREMENTS, THAT IS, THE IMPLEMENTED PROCESSES TO PREVENT CROSS TRADES, AND INTERNAL CONTROLS HAVE BEEN IMPLEMENTED.

#### Disclosure 11 of 18

<b>Reporting Source:</b>	Firm
<b>Affiliate:</b>	TIMBER HILL EUROPE AG
<b>Current Status:</b>	Final
<b>Allegations:</b>	EUREX REQUESTED TIMBER HILL EUROPE AG ("THE") (NOW KNOWN AS IBKR FINANCIAL SERVICES AG) TO ANSWER A LETTER OF INQUIRY CONCERNING A QUOTE MACHINE OF THE WHICH WAS LOGGED IN UNDER THE PERSONAL USER ID OF A SPECIFIC TRADER. THE COULD NOT EXPLAIN, FOR WHICH REASON THE SOFTWARE HAD SENT THE ORDERS IN THE AFOREMENTIONED HIGH FREQUENCY INTO THE TRADING SYSTEM AND FOR WHICH REASON THE ORDERS HAD BEEN DELETED IMMEDIATELY AFTER THEIR ENTRY INTO THE EUREX TRADING SYSTEM. FINES WERE IMPOSED DUE TO THE ORDERS BEING ENTERED AND DELETED WITHOUT A REASON AND BECAUSE THE TRADER WHOSE USER ID WAS LOGGED INTO THE TRADING SYSTEM WAS ABSENT DURING THE TIME THE ORDERS WERE ENTERED AND DELETED.
<b>Initiated By:</b>	EUREX GERMANY, SANCTIONS COMMITTEE EUREX GERMANY
<b>Date Initiated:</b>	09/17/2007
<b>Docket/Case Number:</b>	2008/001
<b>Principal Product Type:</b>	Equity Listed (Common & Preferred Stock)
<b>Other Product Type(s):</b>	
<b>Principal Sanction(s)/Relief Sought:</b>	Civil and Administrative Penalt(ies) /Fine(s)
<b>Other Sanction(s)/Relief Sought:</b>	FINE OF 6,000 EUROS
<b>Resolution:</b>	Settled



<b>Resolution Date:</b>	06/19/2008
<b>Sanctions Ordered:</b>	Monetary/Fine \$6,000.00
<b>Other Sanctions Ordered:</b>	FINE OF 6,000 EUROS
<b>Sanction Details:</b>	NA
<b>Firm Statement</b>	THE TRADING SYSTEM OF TIMBER HILL EUROPE AG ("THE") (NOW KNOWN AS IBKR FINANCIAL SERVICES AG) HAS BEEN ADAPTED TO THE EUREX EXCHANGE'S REQUIREMENTS, THAT IS, THE INTERNAL PROCESSES REGARDING TRADER REGISTRATIONS AND TRADER LOGINS WERE ADJUSTED. INTERNAL CONTROLS HAVE BEEN IMPLEMENTED.

#### Disclosure 12 of 18

<b>Reporting Source:</b>	Firm
<b>Affiliate:</b>	TIMBER HILL EUROPE AG
<b>Current Status:</b>	Final
<b>Allegations:</b>	EUREX REQUESTED TIMBER HILL EUROPE AG ("THE") (NOW KNOWN AS IBKR FINANCIAL SERVICES AG) TO ANSWER A LETTER OF INQUIRY CONCERNING PUT SPREAD STRATEGY REQUESTS. EUREX INITIATED A DISCIPLINARY PROCEEDING AGAINST THE BECAUSE ACCORDING TO EUREX, THE DID NOT COMPLY WITH THE DISCLOSURE DUTIES IN OUR RESPONSE LETTER. THE WAS NOT ABLE TO IDENTIFY THE BENEFICIAL OWNER OF A STRATEGY REQUEST WHEN THE USER WAS LOGGED OUT OF THE SYSTEM. ACCORDING TO THE EXCHANGE THIS WAS A BREACH OF RULES BECAUSE THE COULD NOT DETERMINE A BENEFICIAL OWNER, AND THIS MEANS THE DID NOT COMPLY WITH THE DISCLOSURE DUTIES IN ACCORDANCE WITH THE GERMAN STOCK EXCHANGE ACT.
<b>Initiated By:</b>	EUREX GERMANY, SANCTIONS COMMITTEE EUREX GERMANY
<b>Date Initiated:</b>	05/16/2007
<b>Docket/Case Number:</b>	THEZG-6498-JP
<b>Principal Product Type:</b>	Equity Listed (Common & Preferred Stock)
<b>Other Product Type(s):</b>	
<b>Principal Sanction(s)/Relief Sought:</b>	Civil and Administrative Penalt(ies) /Fine(s)
<b>Other Sanction(s)/Relief Sought:</b>	
<b>Resolution:</b>	Settled



<b>Resolution Date:</b>	01/30/2008
<b>Sanctions Ordered:</b>	Monetary/Fine \$30,000.00
<b>Other Sanctions Ordered:</b>	30,000 EUR FINE
<b>Sanction Details:</b>	NA
<b>Firm Statement</b>	THE TRADING SYSTEM OF TIMBER HILL EUROPE AG ("THE") (NOW KNOWN AS IBKR FINANCIAL SERVICES AG) HAS BEEN ADAPTED TO THE EUREX EXCHANGE'S REQUIREMENTS, THAT IS, THE MODIFIED ITS LOGIC TO STRATEGY REQUESTS, AND INTERNAL CONTROLS HAVE BEEN IMPLEMENTED.

#### Disclosure 13 of 18

<b>Reporting Source:</b>	Firm
<b>Affiliate:</b>	INTERACTIVE BROKERS CENTRAL EUROPE ZRT.
<b>Current Status:</b>	Final
<b>Allegations:</b>	INTERACTIVE BROKERS CENTRAL EUROPE ZRT. ("IBCE") HAS NOT CONTINUOUSLY ENSURED FULL COMPLIANCE WITH THE LEGISLATIVE PROVISIONS ON THE PROTECTION OF SECURITIES SECRETS.
<b>Initiated By:</b>	CENTRAL BANK OF HUNGARY (MAGYAR NEMZETI BANK)
<b>Date Initiated:</b>	03/18/2021
<b>Docket/Case Number:</b>	H-JÉ-III-B-28/2021
<b>Principal Product Type:</b>	No Product
<b>Other Product Type(s):</b>	
<b>Principal Sanction(s)/Relief Sought:</b>	Civil and Administrative Penalt(ies) /Fine(s)
<b>Other Sanction(s)/Relief Sought:</b>	
<b>Resolution:</b>	Order
<b>Resolution Date:</b>	07/28/2021
<b>Sanctions Ordered:</b>	Monetary/Fine \$1,500.00
<b>Other Sanctions Ordered:</b>	FINE OF HUF 500,000 (USD 1,000)
<b>Sanction Details:</b>	NA
<b>Firm Statement</b>	A REGULATORY REPORT (OF INTERACTIVE BROKERS CENTRAL EUROPE



ZRT. ("IBCE") CLIENTS' CLOSED ACCOUNTS) INCLUDING PERSONAL DATA (CLIENT NAME, ACCOUNT NUMBER) FOR APPROXIMATELY 194 IBCE CLIENTS (NATURAL PERSONS) WAS ACCIDENTALLY EXPOSED TO PUBLICITY VIA THE CENTRAL BANK OF HUNGARY (MAGYAR NEMZETI BANK, OR "MNB") PUBLICATION SITE. THE DATA WAS NOT EXPOSED DIRECTLY. IT HAD TO BE OPENED ON A SUB-PAGE AND THEN DIRECTLY DOWNLOADED FROM THERE AS AN ATTACHMENT. THE BREACH HAPPENED OVERNIGHT WHEN THE NATURAL EXPOSURE DUE TO LOWER USER ACTIVITY IS LIMITED. THE BREACH WAS CEASED IN AN IRREVERSIBLE WAY AS SOON AS IT WAS IDENTIFIED. FURTHER, THE NATURE OF THE DATA EXPOSED WAS NOT LIKELY TO RESULT IN A HIGH RISK TO THE RIGHTS AND FREEDOMS OF THE NATURAL PERSONS CONCERNED. THE MNB FOUND THAT IBCE HAD NOT FULLY COMPLIED WITH ITS OBLIGATION TO MAINTAIN SECURITIES SECRECY OR TO PREVENT THE MISUSE OR UNAUTHORISED USE OF SECURITIES SECRECY. THE FINANCIAL AUTHORITY ALSO FOUND THAT IBCE HAD WRONGLY UPLOADED THE REPORT TO THE MNB'S INFORMATION STORAGE SYSTEM, THUS MAKING THE INFORMATION CONTAINED THEREIN, WHICH CONSTITUTED SECURITIES SECRETS, ACCESSIBLE TO PERSONS NOT ENTITLED TO KNOW THEM, AND THAT IBCE WAS THEREFORE LIABLE FOR THE BREACH OF THE PROVISIONS OF THE ACT ON INVESTMENT FIRMS. THE MNB ORDERED IBCE TO PAY A SUPERVISORY FINE OF HUF 500,000 (USD 1,500) FOR THE INFRINGEMENT OF THE LAW. THE CASE HAD NO FURTHER LEGAL CONSEQUENCES.

#### Disclosure 14 of 18

<b>Reporting Source:</b>	Firm
<b>Affiliate:</b>	INTERACTIVE BROKERS HONG KONG LIMITED
<b>Current Status:</b>	Final
<b>Allegations:</b>	INTERACTIVE BROKERS HONG KONG LIMITED ("IBHK") EXECUTED MARKET ORDERS FOR CLIENTS BY PLACING THE ENTIRE ORDER VOLUME AND REPEATEDLY SUBMITTED THE UNEXECUTED PART OF THE ORDER AT THE NEXT AVAILABLE PRICE UNTIL THE ENTIRE ORDER WAS COMPLETED WITHOUT FAILING TO CONSIDER THE MARKET LIQUIDITY. TWO STOCKS WERE RAMPED UP BY 48.7% AND 126% RESPECTIVELY IN LESS THAN 2 MINUTES. IT WAS FOUND THAT IBHK DID NOT CONDUCT ADEQUATE USER ACCEPTANCE TESTING ON THE SYSTEM, AND THE TECHNICAL DESIGN DOCUMENTS OF THE SYSTEM WERE HIGH LEVEL AND DID NOT PROVIDE A DETAILED EXPLANATION OF THE COMPONENTS OF THE TRADING SYSTEM. IBHK DID NOT SUFFICIENTLY RECORD THE DESIGN, DEVELOPMENT, DEPLOYMENT OR OPERATION OF ORDER CANCELLATION FUNCTIONARY IN ITS ELECTRONIC TRADING SYSTEM AS REQUIRED BY



THE SFC CODE OF CONDUCT.

<b>Initiated By:</b>	SECURITIES AND FUTURES COMMISSION OF HONG KONG (SFC)
<b>Date Initiated:</b>	10/28/2015
<b>Docket/Case Number:</b>	508/EN/3309 AND 508/EN/3539
<b>Principal Product Type:</b>	Equity Listed (Common & Preferred Stock)
<b>Other Product Type(s):</b>	
<b>Principal Sanction(s)/Relief Sought:</b>	Reprimand
<b>Other Sanction(s)/Relief Sought:</b>	FINE 4,500,000 HONG KONG DOLLARS (HKD)
<b>Resolution:</b>	Settled
<b>Resolution Date:</b>	02/14/2018
<b>Sanctions Ordered:</b>	Monetary/Fine \$4,500,000.00
<b>Other Sanctions Ordered:</b>	4,500,000.00 HONG KONG DOLLAR FINE AND REPRIMAND
<b>Sanction Details:</b>	NA
<b>Firm Statement</b>	ALL THE RELEVANT CONTROLS HAVE BEEN ENHANCED AND RECTIFIED. IBHK'S BOARD OF DIRECTORS REQUIRED IBHK TO IMPLEMENT REASONABLE STEPS TO HELP ENSURE IBHK IS IN COMPLIANCE WITH THE REGULATORY REQUIREMENTS ON ELECTRONIC AND ALGORITHM TRADING.

#### Disclosure 15 of 18

<b>Reporting Source:</b>	Firm
<b>Affiliate:</b>	INTERACTIVE BROKERS CANADA INC
<b>Current Status:</b>	Final
<b>Allegations:</b>	BETWEEN NOVEMBER 2007 AND APRIL 2008, IT FAILED TO COMPLY WITH ITS TRADING SUPERVISION OBLIGATIONS CONTRARY TO UMIR 7.1 AND POLICY 7.1. MORE SPECIFICALLY, AS DESCRIBED IN THE STATEMENT OF ALLEGATIONS, RESPONDENT FAILED TO PREVENT MANIPULATIVE TRADING ACTIVITIES BY A CLIENT WHO ENTERED A LARGE NUMBER OF "CLOSING TRADES ON AN UP-TICK" ON THE STOCK COV IN ORDER TO AVOID A CONSEQUENT MARGIN CALL.
<b>Initiated By:</b>	INVESTMENT INDUSTRY REGULATORY ORGANIZATION OF CANADA (IIROC)



<b>Date Initiated:</b>	07/08/2013
<b>Docket/Case Number:</b>	2013 IIROC 45
<b>Principal Product Type:</b>	Equity Listed (Common & Preferred Stock)
<b>Other Product Type(s):</b>	
<b>Principal Sanction(s)/Relief Sought:</b>	Civil and Administrative Penalt(ies) /Fine(s)
<b>Other Sanction(s)/Relief Sought:</b>	50,000 CANADIAN DOLLAR FINE PLUS 10,000 CANADIAN DOLLAR COSTS.
<b>Resolution:</b>	Settled
<b>Resolution Date:</b>	07/08/2013
<b>Sanctions Ordered:</b>	Monetary/Fine \$50,000.00
<b>Other Sanctions Ordered:</b>	50,000 CANADIAN DOLLAR FINE PLUS 10,000 CANADIAN DOLLAR COSTS.
<b>Sanction Details:</b>	NA
<b>Firm Statement</b>	RESPONDENT RETAINED THE SERVICES OF AN EXPERT IN ORDER TO REVIEW ITS INTERNAL SUPERVISION PROCEDURES AND DEVELOP NEW SCREENING POLICIES THAT WILL MORE EASILY DETECT MANIPULATIVE AND DECEPTIVE TRADING ACTIVITIES. CORRECTIVE MEASURES WERE THEREFORE TAKEN BY THE RESPONDENT AND WERE PRESENTED TO IIROC.

#### Disclosure 16 of 18

<b>Reporting Source:</b>	Firm
<b>Affiliate:</b>	INTERACTIVE BROKERS CANADA INC
<b>Current Status:</b>	Final
<b>Allegations:</b>	THE FIRST CONTRAVENTION WHICH OCCURRED DURING THE PERIOD FROM 2002 TO 2009 PERTAINED TO THE FAILURE OF RESPONDENT TO MAINTAIN AND KEEP ACCURATE BOOKS AND RECORDS CONTRARY TO IDA BY-LAW 17.2 (IIROC RULE 17.2 SINCE JUNE 1ST, 2008) AND IDA REGULATION 200 (IIROC RULE 200 SINCE JUNE 1ST, 2008); THE SECOND CONTRAVENTION PERTAINED TO THE FAILURE OF RESPONDENT TO OBTAIN PROPER EVIDENCE OF ITS CONTROL OVER SECURITIES HELD ON ITS BEHALF AND TO REQUEST AND OBTAIN MONTHLY ACCOUNT STATEMENTS SHOWING THESE SECURITIES AND THEIR MOVEMENTS IN THE BROKERAGE ACCOUNT TO RECONCILE WITH ITS INVENTORY, THEREBY FAILING TO OBTAIN PROPER EVIDENCE OF ITS CONTROL OVER





THESE ASSETS, CONTRARY TO IDA BY-LAW 29.1 (IIROC RULE 29.1 SINCE JUNE 1ST, 2008); THE THIRD CONTRAVENTION OCCURRED OVER THE PERIOD OF 2002 TO MARCH 2009, AS THE RESPONDENT INCORRECTLY REPORTED ITS MONTHLY FINANCIAL REPORTS FILED IIROC, ITS CLIENTS FREE CREDITS AS BEING CASH HELD IN TRUST AT AN ACCEPTABLE INSTITUTION WHILE THEY WERE NOT DEPOSITED IN AN ACCOUNT OPENED BY OF FOR THE RESPONDENT OR OVER WHICH HE HAD CONTROL, BUT RATHER INVESTED IN SECURITIES HELD IN CUSTODY BY ITS AFFILIATE, ACCORDING TO IDA REGULATION 1200 (IIROC RULE 1200 SINCE JUNE 1ST 2008), THEREBY FAILING TO ACCURATELY REPORT FINANCIAL INFORMATION TO IDA, CONTRARY TO IDA BY-LAW 16.2 (IIROC RULE 16.2 SINCE JUNE 1ST 2008); THE FOURTH CONTRAVENTION STATES THAT DURING THE PERIOD OF OCTOBER 2007 TO JANUARY OF 2008, WHILE SECURITIES HELD IN CUSTODY FOR THE RESPONDENT BY ITS AFFILIATE, A REGULATED ENTITY, OR SOLD TO BE REPLACED IN THE TRUST ACCOUNT BY CASH, THE RESPONDENT IMPROPERLY CONTINUED TO QUALIFY AND REPORT THEM AND ITS FINANCIAL REPORTS AS BEING ALLOWABLE ASSETS AND, AS A RESULT, FAILED TO ADEQUATELY CALCULATE AND REPORT TO THE IDA ITS RAC (RISK ADJUSTED CAPITAL), THEREBY FAILING TO REPORT COMPLETE AND ACCURATE FINANCIAL INFORMATION TO THE IDA, CONTRARY TO IDA BY-LAWS 16.2, 17.1, AND 17.2 AND FORM 1.

<b>Initiated By:</b>	INVESTMENT INDUSTRY REGULATORY ORGANIZATION OF CANADA ("IIROC").
<b>Date Initiated:</b>	05/22/2009
<b>Docket/Case Number:</b>	2009 IIROC 30
<b>Principal Product Type:</b>	No Product
<b>Other Product Type(s):</b>	
<b>Principal Sanction(s)/Relief Sought:</b>	Civil and Administrative Penalt(ies) /Fine(s)
<b>Other Sanction(s)/Relief Sought:</b>	40,000 CANADIAN DOLLAR FINE PLUS 10,000 CANADIAN DOLLAR COSTS.
<b>Resolution:</b>	Settled
<b>Resolution Date:</b>	07/09/2009
<b>Sanctions Ordered:</b>	Monetary/Fine \$40,000.00
<b>Other Sanctions Ordered:</b>	40,000 CANADIAN DOLLAR FINE PLUS 10,000 CANADIAN DOLLAR COSTS.
<b>Sanction Details:</b>	NA
<b>Firm Statement</b>	AS SOON AS THE RESPONDENT WAS NOTIFIED BY THE IDA OF THE IMPACT



OF HOLDING SOME ASSETS IN CASH RATHER THAN IN TREASURY BILLS WITHIN A TRUST ACCOUNT ON THE ALLOWANCE OF SOME ASSETS FOR THE CALCULATION OF ITS RAC (RISK ADJUSTED CAPITAL), THE RESPONDENT PROMPTLY TOOK ACTION TO RECTIFY THE SITUATION AND REINVESTED THEM IMMEDIATELY IN TREASURY BILLS. THE RESPONDENT NOW HAS A FULL-TIME CHIEF FINANCIAL OFFICER.

#### Disclosure 17 of 18

<b>Reporting Source:</b>	Firm
<b>Affiliate:</b>	INTERACTIVE BROKERS AUSTRALIA PTY LTD
<b>Current Status:</b>	Final
<b>Allegations:</b>	INTERACTIVE BROKERS AUSTRALIA PTY LTD INACCURATELY REPORTED SHORT SALE TRANSACTIONS TO THE AUSTRALIA STOCK EXCHANGE FOR THE PERIOD BETWEEN APRIL 2017 AND NOVEMBER 2018.
<b>Initiated By:</b>	AUSTRALIAN SECURITIES EXCHANGE
<b>Date Initiated:</b>	11/30/2018
<b>Docket/Case Number:</b>	E2021003
<b>Principal Product Type:</b>	Equity Listed (Common & Preferred Stock)
<b>Other Product Type(s):</b>	
<b>Principal Sanction(s)/Relief Sought:</b>	Civil and Administrative Penalt(ies) /Fine(s)
<b>Other Sanction(s)/Relief Sought:</b>	
<b>Resolution:</b>	Order
<b>Resolution Date:</b>	11/23/2021
<b>Sanctions Ordered:</b>	Monetary/Fine \$40,000.00
<b>Other Sanctions Ordered:</b>	40,000 AUD
<b>Sanction Details:</b>	NA
<b>Firm Statement</b>	13.PROVIDE A BRIEF SUMMARY OF DETAILS RELATED TO THE ACTION STATUS AND (OR) DISPOSITION AND INCLUDE RELEVANT TERMS, CONDITIONS AND DATES. (THE INFORMATION MUST FIT WITHIN THE SPACE PROVIDED.) BEGINNING 13 NOVEMBER 2018, IBA CONDUCTED REMEDIATION OF THE INCIDENTS, BY WHICH IT: (I) UPDATED THE LOGIC OF THE RELEVANT



SYSTEMS TO ENSURE ACCURATE AND COMPLETE CALCULATION AND REPORTING OF DAILY SHORT SALES; (II) INCLUDED ALL ASX CENTREPOINT SHORT SALES IN ITS SHORT SALES REPORTS; (III) INSTITUTED A DAILY MONITORING PROGRAM FOR THREE MONTHS TO CONDUCT SPOT-CHECKS OF THE ACCURACY OF ITS SHORT SALES REPORTING UNDER ASX OR [3501]; AND (IV) AMENDED ITS PROCESSES FOR IMPLEMENTING NEW ORDER BOOKS.

#### Disclosure 18 of 18

<b>Reporting Source:</b>	Firm
<b>Affiliate:</b>	INTERACTIVE BROKERS INDIA PRIVATE LIMITED
<b>Current Status:</b>	Final
<b>Allegations:</b>	INTERACTIVE BROKERS INDIA PRIVATE LIMITED ("IB INDIA") DID NOT MAINTAIN A SEPARATE RECORD OF DETAILS OF THE FUNDS USED AND SOURCES OF FUNDS FOR THE PURPOSE OF MARGIN TRADING, AND DID NOT REPORT MARGIN TRADING ACTIVITIES DAILY TO THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE").
<b>Initiated By:</b>	NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE")
<b>Date Initiated:</b>	06/11/2018
<b>Docket/Case Number:</b>	NSE/INSP/CMFOCDS/REG/18- 19/LO/12880
<b>Principal Product Type:</b>	Equity Listed (Common & Preferred Stock)
<b>Other Product Type(s):</b>	
<b>Principal Sanction(s)/Relief Sought:</b>	Other
<b>Other Sanction(s)/Relief Sought:</b>	NO PENALTY WAS LEVIED. ONLY A WARNING WAS ISSUED.
<b>Resolution:</b>	Decision
<b>Resolution Date:</b>	11/21/2018
<b>Sanctions Ordered:</b>	
<b>Other Sanctions Ordered:</b>	NO PENALTY WAS LEVIED. ONLY A WARNING WAS ISSUED.
<b>Sanction Details:</b>	NA
<b>Firm Statement</b>	NO PENALTY WAS LEVIED. ONLY A WARNING WAS ISSUED. NONE NATIONAL STOCK EXCHANGE ("NSE") ISSUED A WARNING TO INTERACTIVE BROKERS INDIA PRIVATE LIMITED ("IB INDIA") TO REMAIN IN COMPLIANCE



WITH THE NSE REQUIREMENT TO MAINTAIN A SEPARATE RECORD OF DETAILS OF THE FUNDS USED AND SOURCES OF FUNDS FOR THE PURPOSE OF MARGIN TRADING AND DAILY REPORTING OF MARGIN TRADING ACTIVITIES TO THE NSE.

## End of Report



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