



## INTERACTIVE BROKERS AUSTRALIA PTY LTD

ABN 98 166 929 568  
AFSL number 453554

### FINANCIAL SERVICES GUIDE

Date of Issue: 02.11.2018

#### **The purpose and content of this Financial Services Guide**

This Financial Services Guide (FSG) has been prepared by Interactive Brokers Australia Pty Ltd ("IBA", "we", "our", "us") pursuant to the requirements of the Corporations Act 2001 (Cth). This FSG and the information it contains is current as of the date on the cover page.

This FSG is an important document. It provides information to assist you in deciding whether to use any of the financial services IBA offers and provide you with an understanding of what to expect from the relationship between you and IBA.

Specifically, this FSG provides information about:

- Who we are and the financial services we offer;
- Our contact details and how you can give us instructions;
- IBA's capacity when we provide financial services
- How we and other relevant persons are paid for the services we provide;
- Our internal and external dispute resolution process and how you can access them.

You should read this FSG carefully and ensure that you understand it.

The information in this FSG has been prepared without taking into account your individual objectives, financial situation or needs. You should consider the information provided in this FSG having regard to your own particular circumstances. If you have any questions about the financial services we provide or you need more information please contact us, our contact details are set out in section 3 of this FSG.

It is IBA's policy not to provide any advice, including financial product advice. If you require any legal, taxation, financial or other advice we strongly recommend that you seek such advice prior to opening an account with IBA.

From time to time we may update and change this FSG and when we do so we will publish the latest version to our website.

#### **1. Other documents you may receive from us**

You will receive other documents from us when you apply to open an account and before we provide you with any financial services or make financial products available to you.

For instance, before you can open an account, you must read and accept our General Terms and Conditions and the addendums that set out the additional terms which apply to specific services and products we provide, for instance, ASX and Chi-X Australia trading or CFDs ("T&Cs"). It is important that you read and understand the T&Cs because they will govern the legal relationship between you and us.

In addition to this FSG, we may also be required to provide you with other disclosure documents. Where we offer to issue, or arrange for the issue of a financial product, we must provide you with a Product Disclosure Statement ("PDS") for the financial product. Any PDS we give you contains important information about the features, benefits, risks and costs of the relevant financial product and is intended to assist you in deciding whether to acquire that financial product. We are not required to give you a PDS if you are acquiring certain financial products such as listed shares, units of ETFs or listed warrants.

As a participant of the ASX, ASX 24 and Chi-X markets, we will provide you with certain explanatory booklets and information factsheets before you trade certain products, including warrants traded on the ASX and Chi-X Australia markets, ASX exchange traded options, or ASX 24 futures.

Finally, you will also receive other important documents from IBA including those required by the different exchanges on which we arrange for execution of your orders or from entities that provide services to you in conjunction with the financial services we offer, such as the clearing services provided by BNP Paribas Securities Services.

You should keep a copy of the T&Cs, the FSG and any PDS or any other disclosure document which we provide to you for future reference.

IBA does not provide personal advice and therefore we will not provide you with a Statement of Advice ("SOA").

## 2. How to contact IBA

You can contact IBA using any of the below methods. If you are an existing client of IBA we encourage you to submit a ticket via account management.

Registered  
and business  
address: Interactive Brokers Australia Pty Ltd  
Level 40, Grosvenor Place  
225 George Street  
Sydney NSW 2000  
Australia

Postal  
Address: Interactive Brokers Australia Pty Ltd  
PO Box R229  
Royal Exchange NSW 1225  
Australia

Website: [www.interactivebrokers.com.au](http://www.interactivebrokers.com.au)

Email: Inbound communications via  
commercial E-mails are not supported  
due to security considerations. You may  
submit an inquiry [here](#).

Telephone: +61 (2) 8093 7300

Fax: +61 (2) 8093 7310

## 3. Overview of IBA

### 1. 3.1 Who are we?

IBA is an Australian financial services licensee which provides online non-advisory brokerage services to professional traders and investors with direct access to stocks, options, futures, forex and bonds from a single Universal Account. We are a market participant of the ASX, ASX 24 market and the Chi-X Australia markets and a clearing participant of ASX Clear and ASX Clear (Futures).

IBA is part of the Interactive Brokers Group ("IB Group"), which is comprised of a number of brokerage companies and affiliates that specialise in routing orders, executing and processing trades in securities,

derivatives and foreign exchange instruments. Together IB Group affiliates conduct business on more than 100 electronic exchanges and trading venues around the world.

## 2. 3.2 The financial services IBA provides

IBA holds an Australian financial services licence (AFSL 453554) which authorises us to provide the following financial services to both retail and wholesale clients:

Financial Service	Types of Financial Products
Provide general financial product advice in relation to:	<ul style="list-style-type: none"><li>• Basic and non-basic Deposit Products;</li><li>• Securities;</li><li>• Derivatives;</li><li>• Foreign Exchange Contracts;</li><li>• Government Bonds</li><li>• Interests in Managed Investment Schemes (excluding investor-directed portfolio services)</li><li>• Standard margin lending facilities</li></ul>
Deal in by applying for, acquiring, varying or disposing of a financial product on behalf of another person:	<ul style="list-style-type: none"><li>• Basic and non-basic Deposit Products;</li><li>• Securities;</li><li>• Derivatives;</li><li>• Foreign Exchange Contracts;</li><li>• Government Bonds</li><li>• Interests in Managed Investment Schemes (excluding investor-directed portfolio services)</li></ul>
Deal in by issuing, applying for, acquiring, varying or disposing of a financial product:	<ul style="list-style-type: none"><li>• Derivatives;</li><li>• Foreign Exchange Contracts;</li><li>• Standard margin lending facilities</li></ul>
Make a market in a financial product for:	<ul style="list-style-type: none"><li>• Derivatives;</li><li>• Foreign Exchange Contracts;</li></ul>
Custody:	<ul style="list-style-type: none"><li>• Operate custodial and depository services (other than investor directed portfolio services)</li></ul>

- Act as an external MDA custodian

A full list of the products IBA offers and the worldwide exchanges on which they are offered is available on the IBA website at [www.interactivebrokers.com.au](http://www.interactivebrokers.com.au).

### 3. 3.3 IBA's policy on financial advice and order solicitation

It is IBA's policy not to provide financial advice and IBA does not solicit orders or provide recommendations to its clients. IBA (and its staff) will generally only provide factual information to its clients about the market and the products or services IBA makes available.

You may subscribe to third party market analysis or research through IBA's platform and IBA will pass this information to you through its platform. Where IBA passes on this information, you should treat this information as general advice only and such information will not have been prepared in consideration of your objectives, financial situation or needs. You should ensure that you consider any such information which we pass on in light of your own circumstances. We strongly recommend that you contact a financial adviser if you require personal financial advice.

The discussions or correspondence you have with any representative of IBA will be technical in nature if it concerns the specific features and functionality of IBA's platform. If your discussions or correspondence with IBA specifically relates to a financial product or financial service offered by IBA, then our staff will provide you with factual information about the products or services. IBA staff will not provide recommendations to you or solicit orders from you, and any information provided will not take into account your objectives, financial situation or needs. When you speak with or correspond with IBA, you are dealing with a representative of IBA and we are responsible for the factual correctness of any information given but you are responsible for the decisions you make about your account and any financial products.

### 4. 3.4 What is IBA's position when you trade with us?

When you instruct IBA to deal or arrange a dealing in a financial product on your behalf, IBA will generally be acting as your agent in executing or arranging that dealing. IBA may transact with you as principal in certain circumstances; where this occurs in relation to an exchange-traded product we will indicate such in the confirmation of the transaction we provide.

When you instruct IBA to deal in an exchange-traded derivative, IBA is the issuer of the derivative acquired on your behalf except in the case of listed warrants where another party is the warrant issuer (the warrant issuer). You should refer to the relevant warrants disclosure documents for further details in such cases.

When you trade over-the-counter contracts for difference ("CFDs") or spot FX contracts, IBA will be your contractual counter-party in those financial products. IBA enters into such CFD and FX contracts as principal and not as your agent.

Whether IBA is dealing as your agent or with you as principal, your relationship with IBA is by its General Terms and Conditions as supplemented by the Addendums to those terms (which govern specific dealings) and the applicable laws.

### 5. 3.5 How do you give instructions to IBA

IBA provides brokerage and other services primarily through electronic means and most of your interactions with IBA will be through such means – this will primarily be via our online trading platforms Trader Workstation ("TWS"), Webtrader or our mobile trading platforms ("trading platforms") in relation to the buying and selling of financial and via Account Management for most other interactions with IBA.

Certain clients may submit instructions to us via specific interfaces such as the Computer to Computer Interface ("CCI") or Application Programming Interfaces ("API") – existing clients and new clients who require such support should review the information set out on our [website](#).

You can view information about your account and submit instructions to us through Account Management, available at our website by selecting "Login" from the top of our homepage and then "Account Management". In Account Management, you are able to participate in corporate actions (via the corporate

action tool) and are able to log Web Tickets for specific matters (including for giving instruction in relation to corporate actions which are not available via the corporate action tool) asking questions or making requests.

IBA's website contains further important details about, for instance, the order types available to clients and how to give instructions to IBA in relation to the financial products, including information about timing of such instructions and entitlement to participate in certain corporate actions at [www.interactivebrokers.com.au](http://www.interactivebrokers.com.au). We recommend that all new and existing customers take the time to familiarise (or re-familiarise) themselves with the instructional information we have prepared on our systems which we have referenced below. Our Quickstart guides are designed to get you setup and using our systems quickly and our user guides provide a more complete explanation of the features and functions of our trading platforms and account management:

#### Quickstart Guides

- [Trader Work Station](#)
- [Account Management](#)

#### User guides

- [Trader Work Station](#)
- [Account Management](#)

### **Important**

**Access to the platforms and interfaces provided by IBA is controlled through use of a secure username and password. You are responsible for the confidentiality of your log-in information, including your user name and password. You must keep this information secure and must not give or disclose it to anyone. IBA does not know whether an unauthorised person is entering orders on your account using your user name and password and you will be responsible for any transactions which result.**

Please note that IBA offers a [Security Device program](#) as an extra layer of protection for account holders. While this program is not mandatory, IBA does recommend it to existing clients to provide additional security for account access. Please refer to our [website](#) for further information on how to enroll for a security device and fees that are applicable.

#### **6. 3.6 How to monitor your portfolio and important information about corporate actions**

It is important that you understand that under our T&Cs, you as a customer are responsible for knowing the terms of all securities, derivatives or other financial products in your account with IBA. You may monitor your account and portfolio through the various platforms (Trader Work Station, Webtrader etc.) and account management interface IBA makes available to you. You may obtain details of executed past trades, profit and loss statements, and historical portfolio information via Account Management.

Whilst IBA tries to ensure that the information which it provides to you is correct and up to date, we do not warrant or guarantee that this is the case. The accuracy and correctness of information which we pass on to you may be impacted by, amongst other things, delays in processing of information by the underlying market, failure of a market data vendor or the actions of the issuers of shares in your portfolio. Please refer to our T&Cs for further detail about legal responsibilities.

It is also important that you understand IBA's role in acting as your custodian and passing on information about corporate actions. We will provide information on upcoming voluntary corporate actions within Account Management and you should monitor Account Management on a regular basis. You can access the Voluntary Corporate Action Election tool through the Message Center or by navigating to the Corporate Action Manager available through Customer Service Tools.

In the event an open voluntary corporate action is not available through IBA's Voluntary Corporate Action Election tool, you can submit instructions to participate in the event to IBA by creating an Inquiry/Problem ticket via Account Management.

You must ensure you make any election to participate in voluntary corporates actions within the timeframes specified in the corporate action notification or in the absence of a specified timeframe 7 days

prior to the closing date.

#### **4. Information about execution and clearing arrangements**

##### **1. 4.1 Execution arrangements and Best Execution obligations for Australian markets**

As set out above, IBA is a market participant of the ASX, ASX 24 and Chi-X Australia markets ("Australian Markets") and executes orders on your behalf on these markets.

IBA's Best Execution Policy summarises how we handle and execute your orders for equity market products on the ASX and Chi-X Australia markets as required by the ASIC Market Integrity Rules (Competition in Exchange Markets) 2011. A copy of this policy is available on IBA's website at [www.interactivebrokers.com.au](http://www.interactivebrokers.com.au) under 'Forms and Disclosures' > 'Disclosures'.

##### **2. 4.2 Clearing arrangements for Australian markets**

IBA clears all of the derivatives market transactions (that is, transactions in options and futures) entered into on your behalf on the ASX and ASX 24 markets.

IBA has arranged for a third party, BNP Paribas Securities Services ARBN 149 440 291, AFSL 402467 ("BNP"), to clear and settle the transactions that IBA executes on your behalf in equity market products on ASX and Chi-X Australia. You should refer to the BNP's FSG and Disclosure Statement for further information about the service it provides. IBA provides copies of BNP's FSG and Disclosure Statement when you apply to open an account.

##### **3. 4.3 Execution and clearing arrangements on International markets**

For markets outside of Australia, for example the London Stock Exchange (LSE) or New York Stock Exchange (NYSE), IBA arranges for the execution and clearing of your orders by or through a participant of the relevant financial market who may be an affiliate within the IB Group.

#### **5. Client Money**

##### **1. 5.1 General**

The following section provides a general overview of how IBA handles client money. You should ensure you review the T&Cs to understand the terms governing how we hold client money and when it may be used.

IBA will handle the client money it receives in accordance with the rules set out in Part 7.8 of the Corporations Act 2001 (Cth) (Client Money Rules) and any applicable rules of the markets and clearing houses of which it is a participant and the terms of its agreement with you.

Client money received by IBA from you (or on your behalf) will be deposited into a trust account for holding client money in accordance with the Client Money Rules. In certain circumstances, for instance if you instruct us to deal in ASX 24 futures, client money may be deposited into a client segregated account. We may hold client money across multiple trust accounts to manage exposure to individual banks and to facilitate your dealings in different financial products. In all cases, the money IBA holds in its client money accounts is held on trust for its clients.

IBA only uses client money in accordance with the Corporations Act and the terms of our customer agreement with you, such uses include but are not limited to:

- to pay the fees and charges to which you have agreed, for example fees for brokerage, account activity minimums or fees charged by your advisor or broker;
- to discharge the obligations incurred by IBA on your behalf as a result of your trading, such as settlement costs and margins obligations for exchange traded derivatives; and,
- to meet other costs arising from your instructions, for example to make payments required to execute your instructions to participate in certain corporate actions.

IBA may withdraw money held for you to pay to itself amounts that you owe to IBA for the services it provides or the products it issues to you.

While IBA may pay you interest on credit balances, IBA will retain the interest earned on any client money held in a client money account or with any third party (such as an offshore broker or custodian or

clearinghouse).

## 2. 5.2 Deposits and withdrawals

As at the date of this FSG, IBA only holds client money in Australian dollars (**AUD**), U.S. dollars (**USD**), Euro's (**EUR**) and Pounds Sterling (**GBP**) and you can only deposit in these currencies. IB Australia does not support holding any other currencies at this time

IBA only accepts deposits by way of electronic funds transfer (EFT) or BPay. IBA does not accept deposits by cheque or in cash. You should ensure that you follow the instructions on how to deposit funds carefully to ensure that there are no delays in attributing deposits to your account. If you wish to withdraw money held for you, IBA will (subject to the T&Cs and your current freely withdrawable funds) pay such amount to you and not to any third party (unless we have separately agreed). You must provide the correct payment instructions (including account details) and ensure you perform withdrawal requests correctly. Whilst IBA will take reasonable steps to comply with your payment instructions, IBA accepts no responsibility for any failure to comply with those instructions and, if such failure occurs, the relevant monies will continue to be held by IBA.

IBA may utilise the services of a payment agent in jurisdictions outside of Australia. Any payment agent IBA utilises will be an affiliate of IBA. This means that when you elect to deposit funds in a currency other than AUD, you may be depositing such funds to a bank account maintained by IBA's affiliate as IBA's payment agent (and not IBA directly). IBA's payment agent will, as soon as practicable but by the end of the relevant business day in the applicable jurisdiction, arrange for the payment of such funds to an account maintained by IBA for the receipt of client money.

### **Important:**

Clients who trade, or wish to trade financial products on international exchanges may be required to meet the obligations for a transaction in a foreign currency and may be entitled to delivery of foreign currency upon settlement. Where IBA does not support the holding of a particular foreign currency, we will arrange for a spot foreign exchange transaction to be executed on your behalf to meet the obligations of the dealing or to convert the proceeds resulting from settlement (if any).

Money may be paid to clearing houses directly by IBA (such as ASX Clear (Futures)) or to participants or foreign exchanges to meet margin and settlement obligations. Money paid out to and held by participants of international exchanges or the clearing house of the relevant international exchange will not be held by IBA according to the Australian Client Money Rules, rather it will be held in accordance with the rules of the relevant jurisdiction. In particular, money held by such third parties may not have the same level of protection afforded to client money in Australia in the case of the insolvency, bankruptcy, or failure of such third party broker or clearing house.

All currency exchange risks from your dealings remain your responsibility. Except where we have entered into a spot FX trade with you at an agreed price, any conversion from one currency to another required to be made for performing or executing any payment instruction, paying for or settling a dealing in any financial product on your behalf may be effected by IBA in the manner and at the time and at the exchange rates that IBA in its absolute discretion decides.

## 6. Custody arrangements

IBA provides custodial services for its clients in conjunction with its primary brokerage business. IBA also acts as the clearing participant for certain derivatives transacted on Australian markets.

IBA may appoint a sub-custodian to hold financial products in certain circumstances who may be affiliates or third-party providers. Where you place orders to acquire securities through either of the ASX or Chi-X Australia markets, IBA has arranged for a third party sub-custodian, BNP, to hold such securities for IBA. For products transacted on financial markets outside of Australia, IBA will appoint an affiliate within the IB Group as a subcustodian to hold any securities or resulting positions for IBA. In either case, IBA will hold the benefit of financial products held through such sub-custody arrangements on your behalf in accordance with the T&Cs.

The name of and contact information of the entities (other than IBA) who hold products are set out on IBA's website under Forms and Disclosures > Disclosures.

Your positions in derivatives or securities will generally be held in an omnibus account together with the positions of other clients of IBA and the clients of the relevant subcustodian (as the case may be).

IBA ensures that securities acquired on your behalf are recorded in the books and records of any sub-custodian directly appointed by IBA in the name of IBA's wholly owned nominee company, Interactive Brokers Australia Nominees Pty Ltd ("IBA Nominees"). IBA is responsible for the conduct of IBA Nominees.

#### 1. 6.1 External MDA Custodial service

Where IBA acts as an external MDA custodian for an MDA Operator with which you have an agreement, it will be in the circumstances where the MDA Operator has agreed with IBA to provide brokerage services.

### 7. Risks of Trading

The risks of loss inherent in trading in financial products will vary depending on the financial product traded and you must consider what is appropriate for you in the light of your financial circumstances, objectives and needs.

Trading in exchange-traded derivatives such as options, can carry greater risk than nonleveraged investments, such as shares, due to the inherent leverage in such products. You could gain or lose considerable amounts of money trading derivatives. Trading with any other form of leverage, may also result in losses surpassing your original investment.

### 8. Margins and IBA's right to close positions

When we refer to "margins" we are referring to either the margin requirements for maintaining certain open derivative positions, short stock positions or trading using funds advanced from IBA. This type of trading allows clients to utilise leverage to increase their exposure. IBA requires that its clients meet the minimum opening and ongoing margin requirements for their trading activities at all times.

**Important:** IBA will not generally issue margin calls, will not credit your account to meet intraday margin deficiencies and may liquidate positions in your account in order to satisfy margin requirements without prior notice to you. You will not be able to pre-liquidate positions or control the timing or order of any liquidation action we take.

IBA calculates its own margin requirements and these margin requirements may differ from (and may exceed) exchange margin requirements.

IBA provides you with ongoing information as to the margin requirements and your account status, for instance if an account is approaching margin non-compliance. You must monitor your account to ensure it continually meets IBA [margin requirements](#).

Prior to trading any financial products on margin or financial which require you to maintain margins, you should: refer to our [website](#) for further information; ensure you have obtained and understood any PDS we may have produced; and, ensure you understand the T&Cs which sets out rights and obligations between you and IBA.

### 9. Privacy

IBA collects personal information from you including but not limited to your name, address, contact details including your email address, tax file number, banking details and information on transactions carried out through IBA by you or any agent you appoint. IBA may use cookies, which also collect information from you. Clients of IBA may update personal details via Account Management and or by submitting a ticket.

IBA collects personal information from you as required by the laws to which we are subject (for instance Anti-Money laundering laws and taxation laws) in order to provide you financial services (including custody services) and verify your identity. IBA will not sell, disclose or rent personal information collected without your consent.

IBA may be required by the law to disclose information about you to external parties including regulatory bodies. In such cases, IBA must fully cooperate with the relevant request.

You may choose to withhold certain information but this may mean that IBA is unable to provide you financial services.

IBA is bound by the Privacy Act 1988 and Australian Privacy Principles when we collect personal information from you. We take your privacy seriously, please review our Privacy policy which may be viewed at [www.interactivebrokers.com.au](http://www.interactivebrokers.com.au), under Forms and Disclosures >> Disclosures. We have taken steps to ensure that your personal information is kept both private and secure.



If you have a complaint, you may submit that to IBA as set out in section 14. If you have a question, you can submit a general ticket via Account Management or contact us via the other methods specified under section 14.

## 10. Fees and Charges

### 1. 10.1 Commission and Fees

IBA charges commission and fees when you buy or sell or enter into or close out most positions in financial products. As at the date of this FSG, IBA does not charge any specific separate fees for the custody services it provides.

The amount of the commission or fee payable to IBA depends on the pricing structure selected (or applicable) and the product traded. For example, commission may be calculated as a percentage of the trade value with a set minimum charge per order, or as a dollar amount per contract. Due to the breadth of products and exchanges IBA provides access to, we cannot set out all our fees in this FSG. For the most current commission and fee information for each pricing structure and type of products, please refer to the IBA website at [www.interactivebrokers.com.au](http://www.interactivebrokers.com.au), see under Pricing > [Commissions](#).

You may also request particulars of remuneration (including commission) or other benefits within a reasonable time after receiving this FSG and before any financial service is provided.

### 2. 10.2 Intermediary mark ups and billings

If you are the client of a financial adviser or broker (intermediary) and open an account with IBA under a master account operated by that intermediary, then that intermediary may have appointed IBA as their agent to collect fees from you on their behalf for services rendered by them. IBA facilitates intermediaries charging their clients via automatic billing, electronic invoice or direct billing.

Your selected advisor or broker determines the mark-up they wish to apply on IBA's standard fees and commission and this mark-up may be modified from time to time. You will be provided notice of the details of any mark-ups on IBA's standard fees and commissions when you open an account and when such fees are changed by your financial adviser or broker; if the intermediary increases its fees and charges, you must agree to any increases before they are applied to your account.

You should ensure that if you have engaged an intermediary to provide you services through the account you hold with IBA, you understand what their fees and charges are, as those fees and charges are agreed between you and that intermediary: IBA does not set such fees. The intermediaries fees and charges are **separate** and **in addition** to any amounts which you must pay IBA for the services it provides, although fee information may be reported as a consolidated amount on statements and confirmations.

For more information on the available billing methods that intermediaries may use with IBA, including the caps and limitations on such fees, please refer to IBA's website at [www.interactivebrokers.com.au](http://www.interactivebrokers.com.au) under Pricing > Advisor Fees and Broker Client Mark-Ups.

### 3. 10.3 Interest

Interest may be paid to you or charged to you depending on your positions and balances. Interest may be payable on credit balances (that is, positive balances which you maintain with IBA in excess of specified minimum balances). Factors which affect the amount of interest payable include the currency in which the account is denominated and the amounts held in excess of your margin requirements.

Interest is charged when your account balance is in debit, for instance if you owe money to meet margin requirement on the products you have bought or sold or where IBA has met other obligations on your behalf. These interest charges are separate to product specific interest (e.g. contract interest on CFDs).

IBA uses internationally recognised benchmarks on overnight deposits as a basis for determining interest rates. We then apply a spread around the benchmark interest rate in tiers, such that larger cash balances receive increasingly better rates, to determine an effective rate.

IBA accrues interest on a daily basis and posts actual interest at the end of each month as set out in the monthly statement. For detailed examples on how we calculate interest, and for further information on how to read interest on your statement, please refer to IBA's website.

The spreads and effective rates on credit balances, debit balances and short sale proceed balances are shown in the tables on the IBA website. We also provide detailed examples on how we calculate interest

and information on how to understand interest on your statement on that website.

Please refer to IBA's [website](#) for information about minimum balances, interest rates and charges, which is set out under Pricing >> Interest and Financing. Clients of certain master account holders should note that the relevant AFS licensees or Authorised Representatives, as the case may be, may 'mark-up or mark-down' interest, please refer [here](#) for further information.

#### **4. 10.4 Administrative fees and charges**

IBA charges certain administrative fees for matters such as order cancellation and modifications, trade busts (cancellations) and adjustments, prime broker take-ups, deposits and withdrawals, exercise and assignments, American Depository Receipts (ADRs) and stop payments. Exchange related fees are not uniform and may differ depending on the relevant exchange. The list of administrative fees and charges is available on the IBA website, [www.interactivebrokers.com.au](http://www.interactivebrokers.com.au) under Pricing > [Other Fees](#).

#### **5. 10.5 Taxes**

Transaction taxes, such as value added taxes may apply in some jurisdictions. The taxation implications of trading in financial products will depend on your particular circumstances and it is recommended that you obtain your own independent taxation advice.

Certain of IBA's services will be subject to Goods and Services Tax (GST). Where GST was payable on a service (and the relevant commission payable by you), this will be disclosed in the statements and reports we make available to you.

#### **6. 10.6 Market Data, Fundamentals, and News**

If you require live data, then depending on the product you are trading and where that product is traded, you may then be required to enter into a subscription agreement with the associated exchange. You are not required to enter into a data subscription to open an account with IBA.

You can subscribe to paid, real-time market data on exchanges around the world through Account Management. The subscription fee for market data on each exchange offered through IBA is listed on the IBA website.

In addition, IBA provides free delayed data in certain circumstances. Where delayed market data is available, you may access it and manage it through Trader Workstation ("TWS"), and ticker lines that use delayed data are highlighted in yellow for emphasis. For details on managing delayed market data, see the TWS Users' Guide available at:

- [Trader Work Station guide](#)
- [Account Management information](#)

We also provide real-time fundamentals and news via subscription-activated Reuters Worldwide Fundamentals and Reuters News Feed, along with various free RSS news feeds, all of which are seamlessly integrated into the TWS trading application. The subscription fee for each of these services are listed on the IBA website.

IBA does not require you to subscribe to live market data in order to trade and you are free to receive market data from another IBA account or data vendor, or to use only delayed market data.

Many exchanges classify clients as either non-professional or professional. Certain exchange rules require that trusts and organisations (e.g. corporations, partnerships, LLCs and unincorporated businesses) must be classified as professional. NYSE and Amex Professional Market Data require prior approval from the exchange for this information.

Further details in relation to the above material is set out on IBA's website [www.interactivebrokers.com.au](http://www.interactivebrokers.com.au) under Pricing > [Research News and Market Data](#).

#### **7. 10.7 Clearing House Fees**

Clearinghouses (such as ASX Clear and ASX Clear (Futures)) usually charge a transaction fee per contract (opening or closing trades) and exercise and assignment fees. Fees for opening or closing a

position are typically included in your commission payable to IB. Exercise and assignment fees are not typically included in commissions and may be separately payable by you. Where such fees are payable, they will be disclosed in your transaction confirmation. These clearinghouse fees may be tax deductible and you should consult with your tax adviser or accountant.

You should refer to [IBA's website](#) for details.

## **8. 10.8 Product-specific fees and charges**

There may be fees and charges payable by you in respect of a specific financial product which we issue to you. Our PDS in respect of that financial product will contain information on any fees and charges relating to that financial product or otherwise such fees will be set out on our website.

## **9. 10.9 Monthly activity minimums**

IBA caters to active professional traders and investors and as such, accounts are required to meet minimum levels of activity. Those accounts that do not meet the minimum levels are assessed a monthly activity fee. Whether this fee is assessed is determined by reference to commissions only; for instance, market data fees and administrative fees are not included in determining if an account has met the minimum activity.

Required balance, activity and commission minimums for retail and introducing broker accounts and for clients using a dedicated line FIX connection are as set out on the IBA website at [www.interactivebrokers.com.au](http://www.interactivebrokers.com.au).

## **10.10.10 Required Minimums**

There are minimums required to open an account with IBA. Details of the minimums are set out on our website [www.interactivebrokers.com.au](http://www.interactivebrokers.com.au) under Pricing > [Required Minimums](#).

## **11. How are IBA's employees remunerated?**

As explained above, IBA is part of the IB Group of companies. The directors and employees of IBA are paid a salary and bonus dependant on their individual performance and the performance of the IB Group as a whole. No IBA employee or representative earns a commission for the trading undertaken by IBA clients. All commissions are earned by IBA.

## **12. Potential Conflicts of Interest, Associations and Relationships**

IBA does not, nor do any affiliates within the IB Group, have any relationships or associations with any product issuer that could reasonably be expected to be capable of influencing us in the provision of financial services.

Unless otherwise disclosed, IBA generally acts on its own behalf when providing financial services to you.

Depending on what products you acquire from or through IBA, we may act as your agent (for instance, when we acquire or arrange for the acquisition of exchange traded financial products on your behalf) or as principal ourselves (for instance, when we issue OTC CFD's or Spot FX contracts to you).

IBA does not generally undertake any principal trading in financial products that we acquire as your agent, except where we must correct error positions.

IBA hedges all transactions in CFDs and spot FX positions by entering into a back-to-back hedge transaction with its hedge counterparty at the same price at which IBA enters into the CFD or spot FX contract with you. IBA's hedge counter-party is an affiliate of IBA and receives a portion of the commission charged by IBA to you. IBA and hedge-counter party may gain or lose on hedge transactions.

IBA executes trades on the markets of which it is a member on behalf of its clients and on behalf of offshore affiliates brokerage entities within the IB Group (typically these will be trades originated for or on behalf of the clients of the relevant offshore affiliate). IBA handles all orders it receives in accordance with the allocation policy set out in its T&Cs.

## **13. If you have a complaint**

### **1. 13.1 IBA's internal complaints resolutions process**

IBA is committed to providing a high quality product and service. If you have a query about the service or products we offer, our level of service or the quality of product we provide has failed to meet your expectations, we encourage you to tell us.

IBA's complaint process is designed to ensure your complaint is handled promptly, appropriately and fairly, and dealt with in the strictest confidence.

We request that you submit any queries or complaints online to ensure such queries and complaints are dealt with in the most efficient manner. Please submit your query via Account Management for the most expedient and efficient handling. You do this by logging into "Account Management" selecting "Inquiry Ticket" > "New Ticket" and then selecting the following:

- Category: Other Regulatory
- Sub-category: Submit a Complaint

Alternatively, you may make your query or complaint as follows:

Inbound communications via commercial E-mail are not supported due to security concerns.

By Email: You may submit an inquiry [here](#).

Please ensure you select "Account Services" for the subject and "Complaint" for the topic for the most expedient handling.

By Telephone: +61 (2) 8093 7300

By Mail: The Complaints Officer  
Interactive Brokers Australia Pty Ltd  
PO Box R229  
Royal Exchange NSW 1225  
Australia

Under the rules applicable for handling complaints, IBA has 45 days in which to respond to your complaint or query, although we may need to extend this timeframe in complex matters. IBA will attempt however to resolve your complaint and notify you of any proposed resolution as quickly as possible.

## 2. 13.2 The Australian Financial Complaints Authority

If you are not satisfied with how your complaint is responded to by IBA or 45 days have elapsed, you may direct your concerns in writing to the Australian Financial Complaints Authority ("AFCA") which is an independent dispute resolution scheme of which IBA is a member. Before you submit any concerns to AFCA, you must have given your complaint to IBA and given us time to resolve the matter. The dispute resolution scheme offered by AFCA is provided to you free of charge. AFCA details are:

Australian Financial Complaints Authority  
GPO Box 3, Melbourne, Victoria 3001  
Telephone 1800 931 678  
Internet: [www.afca.org.au](http://www.afca.org.au)  
Email: [info@afca.org.au](mailto:info@afca.org.au)

## 14. Compensation arrangements

Financial services offered by IBA relating to its business as a participant of the markets operated by ASX or Chi-X Australia, e.g., when we act as your agent and execute transactions on these markets on your behalf, are covered by a professional indemnity insurance policy ("Policy"), which satisfies the requirements for compensations arrangements set out under section 912B of the Corporations Act<sup>1</sup>.

All other financial services offered by IBA are instead covered by an ASIC approved alternative compensation arrangement. Respecting these other financial services that are covered by the ASIC-approved alternative compensation arrangement, please note that cover is available for claims related to the conduct of IBA representatives/ employees - even if they no longer work for IBA at the time that you make the claim (provided that they did so when the conduct allegedly occurred).

#### **15. Anti-Money Laundering and Counter Terrorism Laws**

IBA must meet strict identification requirements before we provide designated services to you. When you apply for an account with IBA, we will notify you of what information we need during the account opening process.

We may be legally required to disclose information we have obtained about you to regulatory or law enforcement agencies under Anti-Money Laundering laws.

IBA may decline to carry out a transaction or an instruction if we have reasonable grounds to believe it may breach Australian law or the law of any other country.

#### **16. US Foreign Account Tax Compliance Act ("FATCA")**

Under the Inter-Government Agreement between the Australian and US government, IBA has certain obligations to report transaction information to the Australian Tax office (ATO) on US citizens and various US and non-US entities. We may request you to provide certain FATCA information if you come within the requirements of the legislation.

We do not provide taxation advice, or advice about FATCA. You should consult your personal tax adviser if you believe that you are impacted by FATCA obligations.

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#### Notes:

1. Subject to the terms and conditions of the Policy, its coverage may include losses or damages suffered by retail clients as a result of breaches by IBA of its relevant obligations under its Australian financial services licence.