



Interactive Brokers Central Europe Zrt.

Annexes to the Business Rules and General Terms and Conditions (GBR)

All Annexes to the Business Rules and General Terms and Conditions (GBR), except Annex 2, are incorporated into this document. Annex 2 can be obtained from our website. Below are the list of Annexes:

1. The register including the Company's data
2. The template contracts and declarations used by the Company and annexed to the Business Rules
 - a. Client Agreement and its annexes
 - b. Investment Loan Framework Contract
 - c. Securities Borrowing Contract
3. Business hours
4. Best Execution Policy
5. A summary description of the Conflict of Interest Policy
6. Complaint Management Policy
7. The list of outsourced activities and the persons performing them
8. The list of intermediaries



Interactive Brokers Central Europe Zrt.

ANNOUNCEMENT

Annex 1 to the GBR:

The register including the Company's data

Valid from: 11 January 2021

The data of the Company

Name: Interactive Brokers Central Europe Zrt.
Registered office: 1075 Budapest, Madách Imre út 13-14.
Company registration number: 01-10-141029
Phone number: +36 (80) 088 400
Website: <https://www.interactivebrokers.hu/>
E-mail address: ibce@interactivebrokers.com

Data of the parent company

Name: IBG LLC
Registered office: One Pickwick Plaza, Greenwich, CT 06830 USA
Company registration number: 0538978 (by the Connecticut Secretary of State)
Group's website: <https://www.interactivebrokers.com/>

The supervisory authority of the Company

Name: Magyar Nemzeti Bank (National Bank of Hungary)
Registered office: 1054 Budapest, Szabadság tér 9.
Phone number: +36 (1) 428 2600
Customer Service: 1013 Budapest, Krisztina krt. 39.
Phone number for customers: +36 (80) 203 776
E-mail address: info@mnb.hu
Mailing address: Magyar Nemzeti Bank (National Bank of Hungary), 1850 Budapest
Website: <http://www.mnb.hu>



Interactive Brokers Central Europe Zrt.

ANNOUCEMENT

Annex 3 to the GBR:

Business hours

Valid from: 11 January 2021

Interactive Brokers Central Europe Zrt. (Registered office: 1075 Budapest, Madách Imre út 13-14., Company registration number: 01-10-141029, court of registry: Budapest Court of Registration, hereinafter referred to as “**Company**”) availability:

- electronic trading interface: every day from 00:00 to 24:00

Orders may be placed on the interfaces—with the exception of downtime—without any time limit, however, the execution time of each order is significantly influenced by the opening and trading days and hours of the trading venues. These dates may also vary between financial assets.

The general trading hours for each asset is included in the electronic trading interface.

- Complaints handling via telephone: Monday-Friday: 08:00-20:00 (CET)
- To listen to past recorded telephone calls: this may be done at the registered offices of the Company, on working days between 10:00 and 15:00 (CET), at a pre-arranged time.



Interactive Brokers Central Europe Zrt.

ANNOUNCEMENT

Annex 4 to the GBR:

Best Execution Policy

Applicable from: 11 January 2021

TABLE OF CONTENTS

1.	ENFORCEMENT	1
2.	PURPOSE	2
3.	LEGAL / REGULATORY REFERENCE	2
4.	SCOPE	2
5.	ABBREVIATIONS	3
6.	INTRODUCTION	3
6.1	THE NATURE OF INTERACTIVE BROKERS' (IB) BUSINESS	3
6.1.1	.....Executing Partner by Asset Class	4
6.2	IBCE EXECUTION POLICY AND PROCEDURES	4
6.2.1	.....What is Best Execution?	4
6.3	.....HOW IS THE RELATIVE IMPORTANCE OF EXECUTION FACTORS DETERMINED?	4
6.4	.....ORDER EXECUTION PROCESS	4
6.5	.....SMART ORDER ROUTING	4
6.5.1	.....APPROACH TO SMART ROUTING	5
6.5.2	.....CLIENT INSTRUCTIONS	5
6.5.2.1	.....ORDER TYPES AND ALGORITHMS	5
6.5.2.2	.....SPECIFYING A VENUE	5
6.5.2.3	.....MANDATORY TRADING OBLIGATION	5
6.6	.....EXECUTION VENUES	6
6.6.1	.....THIRD PARTY BROKERS OR IB'S AFFILIATES	6
6.6.2	.....SINGLE VENUE	6
6.6.3	.....OVER-THE-COUNTER TRADES EXECUTED BY IBCE	6
7.	MONITORING AND REVIEW	7
7.1	GENERAL ASPECTS	7
7.2	EXECUTION POLICY	7
7.3	VENUE REVIEW	7
7.4	COMPLAINTS	7
8.	INFORMATION TO IBCE CLIENTS	8
8.1	EXECUTION QUALITY AND THE ANNUAL ONLINE PUBLICATIONS	8
8.2	EXECUTION QUALITY ASSESSMENT SUMMARY	8
9.	RECORDS MANAGEMENT	9
	APPENDIX A - IBCE'S TOP 5 VENUE PUBLICATION SPECIFICATION	10
	APPENDIX B - Relative importance of execution factors by asset classes - Application by Business and Product	15
	APPENDIX C - Relevant venues and Executing Partners	18

1. ENFORCEMENT

Interactive Brokers Central Europe Zrt (“**IBCE**”) is responsible for complying with this policy (“**Policy**”). Management is responsible for ensuring adherence to this Policy and for taking appropriate action to comply

with this Policy. The rules of best execution shall apply to retail clients and professional clients. The principle of best execution does not apply to clients in the Eligible Counterparty category. Questions regarding the interpretation of this Policy are to be directed to the IBCE CCO.

2. PURPOSE

This procedure sets out the required standards to satisfy regulatory requirements for the best execution of client investment orders following the transposition of Markets in Financial Instruments Directive (“**MiFID**”), regime (implemented in 2007), as revised with the EU Markets in Financial Instruments Directive (2014/65/EU) (“**MiFID II**”).

MiFID best execution requirements are important component of investor protection. These apply to investment firms either executing, receiving or transmitting client orders in financial instruments. Such client orders and decisions to buy/sell are hereinafter referred to as “**order(s)**”.

3. LEGAL / REGULATORY REFERENCE

The applicable legal framework used for this procedure is based on Market and Financial Instruments Directive which is defined by **MiFID II** and Markets and Financial Instruments Regulation (“**MiFIR**”) which is defined by EU Regulation No 600/2014 of 15 May 2014. The Act CXXXVIII of 2007 on Investment Firms and Commodity Dealers, and on the Regulations Governing their Activities (“**Bszt.**”) and the Commission Delegated Regulation (EU) 2017/565 of 25 April 2016 supplementing Directive 2014/65/EU as regards organisational requirements and operating conditions for investment firms (Article 66) are also part of the legal framework.

MiFID II, Bszt. and MiFIR are a pan-European set of laws adopted by the Hungarian authorities that sets out business rules of conduct with regard to investor protection or products in financial markets. The rules aim to protect investors, apply to all investment service providers in Hungary, and the compliance to these rules are strictly supervised by the Central Bank of Hungary (“**MNB**”).

MiFID II/MiFIR/Bszt. require that **IBCE** establishes an order execution policy and takes all reasonable steps to obtain the best possible result when executing orders on behalf of its clients.

To avoid conflicts of interest between one client and IBCE’s duties to other clients, IBCE does not give any preferential treatment to that client to the detriment of other clients and does not disclose the details of this order to other clients. The relevant controls are defined in the Policy on “Conflicts of interests”.

4. SCOPE

This Policy applies to all employees of IBCE and to all service providers and affiliates of Interactive Brokers Group (“**IBG**”) acting for or on behalf of IBCE (hereafter the “**affiliates**”).

5. ABBREVIATIONS

TERMS	DEFINITIONS
IBCE	Interactive Brokers Central Europe Zrt.
IBG	Interactive Brokers Group
MNB	Central Bank of Hungary (Magyar Nemzeti Bank)
RTS	Regulatory Technical Standards of MiFID II

6. INTRODUCTION

6.1 THE NATURE OF INTERACTIVE BROKERS' (IB) BUSINESS

IBCE is an affiliate of Interactive Brokers LLC (“**IBLLC**”), a SEC-regulated broker specializing in routing orders and executing and processing trades in securities, derivatives and foreign exchange instruments. IBCE does not have human brokers and does not provide advisory services or take responsibility of the suitability and appropriateness of specific client trades. IBCE does not engage in proprietary trading outside of executing transactions with clients on a riskless principal basis for CFDs (matched principal trading).

IBCE is licensed to provide investment services activities (i.e. execution of orders and safekeeping of assets). IBCE holds client assets, i.e. cash and financial instruments in accordance with the Hungarian rules relating thereto.

IBCE provides its services in relation to the following types of financial instruments:

- transferable securities;
- money-market instruments;
- units in collective investment undertakings;
- options, futures, swaps, forward rate agreements and any other derivative contracts relating to securities, currencies, interest rates or yields, emission allowances or other derivatives instruments, financial indices or financial measures which may be settled physically or in cash;
- options, futures, swaps, forwards and any other derivative contracts relating to commodities that must be settled in cash or may be settled in cash at the option of one of the parties other than by reason of default or other termination event;
- options, futures, swaps, and any other derivative contract relating to commodities that can be physically settled provided that they are traded on a regulated market, a Multilateral Trading Facilities (“**MTF**”), or an Organised Trading Facilities (“**OTF**”), except for wholesale energy products traded on an OTF that must be physically settled;
- options, futures, swaps, forwards and any other derivative contracts relating to commodities, that can be physically settled not otherwise mentioned in the preceding bullet point and not being for commercial purposes, which have the characteristics of other derivative financial instruments;
- derivative instruments for the transfer of credit risk;
- financial contracts for differences (“**CFDs**”);
- options, futures, swaps, forward rate agreements and any other derivative contracts relating to climatic variables, freight rates or inflation rates or other official economic statistics that must be settled in cash or may be settled in cash at the option of one of the parties other than by reason of default or other termination event, as well as any other derivative contracts relating to assets, rights, obligations, indices and measures not otherwise mentioned in the present list, which have the characteristics of other derivative financial instruments, having regard to whether, inter alia, they are traded on a regulated market, an OTF or an MTF;
- emission allowances consisting of any units recognised for compliance with the requirements of Directive 2003/87/EC.

IBCE provides electronic brokerage services to its clients. IBCE is not a member of any securities or commodities exchange or trading network so client orders submitted to IBCE through IB trading platforms are routed to, and executed by, its affiliates: collectively or individually (the “Executing Partners”). IBG’s proprietary order routing technology electronically route IBCE’s orders to markets or dealers through the exchange memberships or trading relationships of its Executing Partners.

6.1.1 Executing Partner by Asset Class

IBCE routes orders to its Executing Partners based on the asset class the underlying client wishes to trade and the exchange memberships or trading relationships the Executing Partners hold. We have listed the relevant venues and executing brokers in Appendix D. The use of affiliates provides specific benefits to client executions, including enhanced governance, oversight and transparency of an order, consistency of order handling and front to back trade processing.

Note: IBCE does not use an Executing Partner for CFD transactions. See Appendix B, section 4.

6.2 IBCE EXECUTION POLICY AND PROCEDURES

6.2.1 What is Best Execution?

IBCE and the Executing Partner should take all sufficient steps to obtain the best possible result for IBCE’s client taking into account best execution factors including price (net price), cost, speed, likelihood of execution, size, nature of an order and any other consideration relevant to the execution of the order such as the nature of the relevant market, prevailing market conditions and possible market impact (“**Execution Factors**”).

The relative importance of each of the execution factors may depend on:

- the characteristics and nature of the order, including any specific instructions the client might have given;
- the characteristics of the financial instruments that are the subject of the client’s order; and
- the characteristics of the execution venues (if there is more than one) to which the order can be directed.

The duty of best execution applies if the client has been classified as retail client or professional client.

6.3 HOW IS THE RELATIVE IMPORTANCE OF EXECUTION FACTORS DETERMINED?

IBCE determines whether the clients are a retail or professional client at account opening in accordance with the Client Categorisation Policy. The clients are notified of the retail or professional category.

The other execution factors are applied on an asset class by asset class basis, taking into account whether the order is marketable or not. A marketable order is a buy order with a price at or above the lowest offer in the market or a sell order with a price at or below the highest bid in the market.

See Appendix B for the process by which IBCE will determine the importance of the execution factors for the relevant financial instruments and the weight accorded those different factors.

6.4 ORDER EXECUTION PROCESS

When submitting order through IB trading platforms, the clients choose smart order routing (see section 6.5 below) or provide specific instructions to directly route their orders to a specific venue venues. The client’s orders are filled in one or multiple market transactions across one or more execution venues. IBCE deals fairly and in due turn with all orders received from its clients during the order routing to its Executing Partners. To the extent it is reasonably practicable to do so, IBCE deals with all orders in accordance with this Policy and its general terms and conditions.

6.5 SMART ORDER ROUTING

IBCE, through its Executing Partners, offers clients the capability to utilize IBG’s smart order routing (“Smart Routing”) for products that are listed on more than one execution venue. Smart Routing is IBG’s proprietary computerised order routing algorithm designed to optimise both speed and either price or total

consideration, by continuously scanning the bids and offers at each of those competing execution venues and automatically routing orders directly to the best execution venues or dealer.

6.5.1 APPROACH TO SMART ROUTING

Smart Routing is premised upon the principle that an order is most likely to be executed at the optimal price, at the greatest speed and with highest levels of accuracy and certainty of completion if that order is submitted via direct access to a fully automated market venue. Moreover, to the extent that an order is associated with a product listed on multiple market venues, Smart Routing is achieved by constantly reviewing the bids and offers at each of those venues and by directing the order to the venue offering the best total consideration or the best price, if price has been selected as the primary execution factor.

For retail clients, the best possible result achievable for the client is determined by reference to the total consideration, which represents the price of the financial instrument and the costs related to execution. (The costs related to execution include all expenses incurred by the client directly related to the execution of the order, such as execution fees, clearing and settlement fees and other fees paid to third parties involved in the execution of the order.) Total consideration is the prioritised factor where the “Cost-Considered when Routing” functionality is active in the IB trading platforms which is the default option unless client selects “Price”. Otherwise SmartRouting will direct the order to the venue providing the best price.

6.5.2 CLIENT INSTRUCTIONS

Clients may provide specific instructions for any given order. The IB trading platforms offer access to numerous order types, including both native (exchange supported order type) and simulated (order type created by IBG). The IBG trading platforms also enable clients to provide order instructions with respect to pricing, timing, speed, price improvement and other advanced trading functions.

Where clients provide specific instructions to route orders directly via the IB trading platforms to the order book of a particular venue of your choice, should be aware that any specific instructions may prevent IBCE from taking the steps that IBCE had designed and implemented in this Policy to obtain the best execution. To the extent that IBCE, through its Executing Partners, is able to accommodate such requests, IBCE will give the specific instructions precedence over the Smart Routing process, this may result in a different outcome for the trade than that which solely relies on Smart Routing. Where the clients specify the venue for an order, IBCE is considered to have satisfied its best execution obligation by directing the client’s order to the specified venue.

6.5.2.1 ORDER TYPES AND ALGORITHMS

IB trading platforms provide clients with the functionalities to choose their own order types based on the characteristics of the financial instrument, the characteristics of the order, and the clients’ own objectives and specific execution strategies.

IB trading platform supports over sixty order types and algorithms that allow the clients to tailor their orders to, among other things, include specific instructions concerning pricing or timing of orders or to speed execution, provide price improvement, limit risk, time the market and allow privacy. IBCE’s best execution obligations would be limited to those elements of the execution not covered by the clients specific instructions. The information on order types and algorithms is made available on the IBCE website under the Technology menu option and then Order Types and Algos. Clients may find specific information on the order types and algorithms by sorting the order types and algorithms by product and/or category.

6.5.2.2 SPECIFYING A VENUE

Each execution venue administers its own set of trading rules. Accordingly, if clients choose not to select Smart Routing, the clients should be familiar with the various trading and order handling rules of those market venues to which the client intends to direct their orders. A complete listing of market venues along with website links is made available on the IBCE website under Products menu option and the Exchange Listings.

Where IBCE is a member of a trading venue, IBCE also executes orders on behalf of IBCE affiliates (i.e., it would act as the Executing Partner to these affiliates). IBCE affiliates route their clients’ orders to IBCE and IBCE executes these orders as venue-specific orders.

6.5.2.3 MANDATORY TRADING OBLIGATION

IBCE is subject to the trading obligation for investment firms under Article 23 of MiFIR when undertaking trades in shares that trade on a Trading Venue. This requirement may limit the Execution Venues we may access when we are executing relevant orders in shares.

6.6 EXECUTION VENUES

IBG's policy is to maintain a choice of venues and entities that are most likely to provide the clients of its operating subsidiaries, including IBCE, with best execution on a consistent basis. IBG considers a wide variety of execution venues and entities based upon the level of relevance the execution venues maintain within their particular region in addition to factors such as product breadth, liquidity, electronic access, costs and speed and likelihood of settlement.

IBG periodically considers the emergence of new venues which are currently unavailable or changes to existing venues with respect to the product offerings, and takes into account the quarterly execution quality publications to compare possible competing venues. IBG conducts trading venues review when there is a material change and at least annually.

The venues typically fall into the classification of regulated markets, Multilateral Trading Facilities Organized Trading Facilities, systematic internalisers, and third-party investment firms, brokers and/or affiliates acting as a market maker or liquidity provider.

- A Regulated market (according to the Act CXX of 2001 on the Capital Market) is the stock exchange of a Member State of the European Union and any other market that meets the following conditions:
 - a multilateral system operated and/or managed by a market operator,
 - reconciles, in a non-discriminatory manner and in accordance with its rules, the intentions of several third parties to buy and sell financial instruments, or facilitates this by resulting in a contract for a financial instrument admitted to trading under its rules,
 - is authorized by the competent supervisory authority of the home Member State,
 - operates at regular intervals and at specified times,
 - included in the list of regulated markets published on the European Commission's website.
- A Multilateral Trading Facility (MTF) is a trading facility that brings together the intentions of third parties to buy and sell financial instruments in a non-discriminatory manner, resulting in a contract.
- An Organized Trading Facility (OTF) is a multilateral system that is not a regulated market or MTF and in which the intention to buy and sell multiple bonds, structured financial instruments, allowances and derivatives from third parties can be pooled within the system in such a way that results in the contract.
- A Systematic Internaliser can be an investment firm that – within an organized framework for a client – provides frequent, regular and significant trading opportunities on its own account by executing client orders outside a regulated market, an MTF and an OTF on a multilateral basis, without operating a system.

6.6.1 THIRD PARTY BROKERS OR IB'S AFFILIATES

IBCE will execute through one or more of IB Group affiliates. Where we use a third party broker (including an IB Group affiliate) to executed transactions we retain an overarching best execution obligation, subject to the facts and circumstances surrounding the relevant market and the terms and instructions provided by the clients. We satisfy this obligation by undertaking due diligence to validate the adequacy of the third party broker's execution performance and connectivity and to ensure that there are satisfactory arrangements to ensure confidentiality of our order flow and execution instructions.

6.6.2 SINGLE VENUE

For certain financial instruments IBCE's executes on a single venue or with a single liquidity provider. In these cases, IBCE will consider whether IBCE can reasonably expect that the execution venue or liquidity provider will enable us to obtain results for the clients that are at least as good as the results that we can reasonably expect from using alternative execution venues or dealer.

6.6.3 OVER-THE-COUNTER TRADES EXECUTED BY IBCE

When executing orders in Over-the-Counter (“**OTC**”) products including bespoke products, clients may utilise the information made available on them on their selected IB trading interface (i.e. Trader Workstation, Web Trader, Mobile Trader) to check the price of the underlying financial instrument used in the estimation of the price of the OTC product and, where the clients subscribed for market data, provided by IBCE’s affiliate GFIS¹, by comparing with similar or comparable products to gauge the fairness of the price of the OTC products proposed to them.

7. MONITORING AND REVIEW

7.1 GENERAL ASPECTS

IBCE reviews periodically (at least yearly) this Policy.

IB monitors the effectiveness of its order execution policy regularly to identify and, where appropriate, correct any deficiencies. To satisfy this requirement, monitoring reports will be generated on a regular basis to monitor whether client trades satisfy the order execution policy.

In order to monitor the effectiveness of its order execution policy, IBCE is represented on the European Best Execution Committee (“**EBEC**”) which assists the CEO in the monitoring of potential deficiencies relating to the delivery of best execution, including those identified through monitoring and venue selection reviews; also taking into account the fact that IBCE reaches the trading platforms through its Executing Partners.

When reviewing the quality of execution of orders IBCE primarily relies on the EBEC and execution data provided by IBG.

7.2 EXECUTION POLICY

The EBEC periodically reviews its venue selection and criterion for venue selection. The review is conducted on a quarterly basis or whenever a material change occurs that affects the consistency of the best possible result for the order execution which IBCE seeks to obtain for its clients.

Any proposals for improvement or potential deficiencies relating to the delivery of best execution, including those identified through monitoring and venue selection reviews, are considered by the EBEC and reflected in appropriate changes in policy and procedures and any supplementary information made available to IBCE clients in the knowledge base section, or more specifically in the Order Execution Policy.

7.3 VENUE REVIEW

In order to obtain best execution result for a client, the EBEC should compare and analyses relevant data including any available best execution reports published. IBCE will continue to review quality and format of such reports to determine whether they can be used for meaningful and consistent comparison of execution data among different trading venues.

The quality of execution, which includes aspects such as the speed and likelihood of execution, fill rate and availability and incidence of price improvement, is an important factor in the delivery of best execution. Availability, comparability and consolidation of data related to execution quality provided by the various execution venues is planned to be utilised to identify those execution venues that deliver the highest quality of execution for their clients.

7.4 COMPLAINTS

IBCE also uses client feedbacks as a data source from which any potential deficiencies are reviewed, both real-time in providing solutions to a trade execution queries or, collectively in identifying any emerging patterns in the execution process.

In the event of a client complaint regarding execution price, compliance is notified about the complaint and the outcome of investigation, and any remedial action taken, including any programmatic solutions.

¹ Global Financial Information Services GMBH (GFIS) is the distributor of market data and third-party investment research to IBG’s clients inclusive of IBCE. IBCE does not receive any income or commission from GFIS or any of its service providers.

Additional teams can be involved in the review. Any issues which are caused by an underlying programmatic issue is generally further investigated and resolved at the level of developers.

Compliance is informed of any issues which may impact execution quality. Compliance escalates any emerging patterns pertinent to execution quality improvement or reviews of potential deficiencies in the execution process to the EBEC for consideration.

8. INFORMATION TO IBCE CLIENTS

8.1 EXECUTION QUALITY AND THE ANNUAL ONLINE PUBLICATIONS

IBCE is obliged to summarise and make public on an annual basis, for each class of financial instruments, the top five execution venues in terms of trading volumes where it executed client orders in the preceding year and information on the quality of execution obtained (see APPENDIX A of this Policy).

This annual publication includes all client orders executed on trading venues, systematic internalisers, market makers or other liquidity providers or entities that perform a similar function to those performed by any of the foregoing in a third country.

Regarding this publication, for each class of financial instruments investment firms are required to disclose the top five execution venues in terms of trading volumes of executed orders. This information includes:

- a) class of financial instruments;
- b) venue name and identifier;
- c) volume of client orders executed on that execution venue expressed as a percentage of total executed volume;
- d) number of client orders executed on that execution venue expressed as a percentage of total executed orders;
- e) percentage of the executed orders that were passive and aggressive orders (a passive order is an order entered into the order book that provided liquidity and an aggressive order is an order entered into the order book that took liquidity);
- f) percentage of orders that were directed orders (a directed order is an order where a specific execution venue was specified by the client prior to the execution of the order);
- g) confirmation of whether it has executed an average of less than one trade per business day in the previous year in that class of financial instruments.

8.2 EXECUTION QUALITY ASSESSMENT SUMMARY

The summary of the analysis and conclusions drawn from IBCE's execution detailed monitoring of the quality of execution obtained on the execution venues where IBCE executed all client orders in the previous year (see template in APPENDIX A of this Policy).

The information is published for each class of financial instruments includes:

- an explanation of the relative importance given to the execution factors;
- factors which may potentially influence the order execution behavior of investment firms such as close links, any conflicts of interests, and common ownerships between investment firms and execution venues used to execute orders. These factors should form part of the analysis in assessing the quality of execution obtained on all execution venues;
- a description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received;
- an explanation of the factors that led to a change in the list of execution venues listed in IBCE's order execution policy, if such a change occurred;
- an explanation of how order execution differs according to client categorisation, where the firm treats categories of clients differently and where it may affect the order execution arrangements;
- an explanation of whether other criteria were given precedence over immediate price and cost when executing retail client orders and how these other criteria were instrumental in delivering the best possible result in terms of the total consideration to the client;
- an explanation of how the investment firm has used any data or tools relating to the quality of execution, including any quarterly data publication published by the venues;

-
- where applicable, an explanation of how IBCE may use consolidated tape provider. This includes any use of any continuous electronic live data stream providing price and volume data per financial instrument as consolidated by regulated markets, MTFs, OTFs and Approved Publication Arrangements (“**APAs**”).

Some of the information to be disclosed in the summary is provided on a consolidated basis where such information is common to several or all classes of financial instruments. In this regard, information on close links, conflicts or common ownership as well as information on payments, rebates and benefits of venues may be disclosed on a consolidated basis, where such information is common across several or all classes of financial instruments.

The EBEC considers the effectiveness of the best execution arrangement taking into account information included in the execution quality summary.

9. RECORDS MANAGEMENT

The retention period of information lasts 5 years after the business relationship terminated, except where local laws and regulations explicitly require a longer period and must commence at the end of the relevant calendar year.

Client orders will be entered into an IB trading tool. Records need to be managed throughout their entire life cycle; from creation or receipt through processing, distribution, maintenance and retrieval, to ultimate deletion/destruction or permanent archiving, to ensure IB’s compliance with its legal and regulatory obligations, including retention, whilst meeting IB’s operational needs.

APPENDIX A - IBCE'S Top 5 Venue Publication Specification

Top 5 Venues for IBCE's Client Orders

To enable the public and investors to evaluate the quality of IBCE's execution practices and to identify the top five execution venues in terms of trading volumes where IBCE executed client orders in the preceding year, IBCE will publish information required under RTS 28 in relation to trading venues, market makers or other liquidity providers or any entity that performs a similar function in a third country to the functions performed by any of the foregoing.

To populate the tables, the **relevant client orders** to be captured as part of the statistics are first identified as set out in points (i)-(ii) below. Then the relevant client orders are divided into the twenty-two financial instrument classes narrow enough to reveal differences in order execution behavior (Part B.1), as applicable, before sub-dividing each financial instrument class by IBCE-executed or IBCE-transmitted orders (Part B.1), and further sub-dividing into the retail and professional categories (Part B.2).

Out of all the orders in the accounts held with any IB entity, **Relevant Client Orders** are those:

- (i) **executed** by IBCE. OTC-products executed by IBCE include CFDs. The category of **IBCE-executed** includes orders that have been received from an IBCE account ("**IBCE Orders**"); or
- (ii) **received and transmitted** to another entity for execution. Where IBCE is not a venue member, IBCE currently routes the order to another entity for execution ("**IBCE-transmitted**"). The category of IBCE-transmitted includes only **IBCE Orders**.

According to the order flow, IBCE orders may be IBCE-executed or IBCE-transmitted .

Part B.1: Sub-divide the Relevant Client Orders into the financial Instrument classes

The *RTS 28 Appendix* shows the twenty-two financial instrument classes (see circled in **grey**).

For a given class of financial instruments, there may be instances where IBCE provides both services of order execution and transmission of orders to a third party for execution (see circled in **orange**). In those instances IBCE needs to publish two separate tables for the same instrument; one containing the top five execution venues and one containing the top five entities (brokers) to which client orders were routed during the relevant period.

Part B.2: Sub-divide into the retail or professional

All orders are further distinguished as retail or professional by reference to a client account's "MiFID Category" in CAST.

All Non-IBCE orders are captured as "**directed orders**" from **professional clients** as the venues are predetermined by another IB entity which routed the order to IBCE for execution. All Non-IBCE orders will contribute towards the professional orders executed (circled in **red** in *RTS 28 Appendix* to illustrate where these go) together with all IBCE professional orders.

There may potentially be four tables in a particular financial instrument class when separate tables are required to rank IBCE-executed and IBCE-transmitted orders, as each of the table will have to be produced for retail and professional clients respectively (circled in **blue** to illustrate).

RTS 28 Appendix

Classes of Financial Instruments		(i) IBCE-EXECUTED		(ii) IBCE-TRANSMITTED	
		Retail	Pro.	Retail	Pro.
Equities – Shares & Depository Receipts	Tick size liquidity bands 5 and 6 (from 2000 trades per day)	Retail	Pro.		
	Tick size liquidity bands 3 and 4 (from 80 to 1999 trades per day)	Retail	Pro.	Retail	Pro.
	Tick size liquidity band 1 and 2 (from 0 to 79 trades per day)	Retail	Pro.		
Debt instruments	Bonds	Retail	Pro.	Retail	Pro.
	Money markets instruments	Retail	Pro.	Retail	Pro.
Interest rates derivatives	Futures and options admitted to trading on a trading venue	Retail	Pro.	Retail	Pro.
	Swaps, forwards, and other interest rates derivatives	Retail	Pro.	Retail	Pro.
credit derivatives	Futures and options admitted to trading on a trading venue	Retail	Pro.	Retail	Pro.
	Other credit derivatives	Retail	Pro.	Retail	Pro.
currency derivatives	Futures and options admitted to trading on a trading venue	Retail	Pro.	Retail	Pro.
	Swaps, forwards, and other currency derivatives	Retail	Pro.	Retail	Pro.
Structured finance instruments		Retail	Pro.	Retail	Pro.
Equity Derivatives	Options and Futures admitted to trading on a trading venue	Retail	Pro.	Retail	Pro.
	Swaps and other equity derivatives	Retail	Pro.	Retail	Pro.
Securitized Derivatives	Warrants and Certificate Derivatives	Retail	Pro.	Retail	Pro.
	Other securitized derivatives	Retail	Pro.	Retail	Pro.
Commodities derivatives and emission allowances Derivatives [^]	Options and Futures admitted to trading on a trading venue	Retail	Pro.	Retail	Pro.
	Other commodities derivatives and emission allowances derivatives ^{^^}	Retail	Pro.	Retail	Pro.
Contracts for difference		Retail	Pro.	Retail	Pro.
Exchange traded products (Exchange traded funds, exchange traded notes and exchange traded commodities)		Retail	Pro.	Retail	Pro.
Emission allowances		Retail	Pro.	Retail	Pro.
Other instruments		Retail	Pro.	Retail	Pro.

See Part B.3

NOTE:

Categorising Indices Options, Futures and Futures Options: use underlying as the basis. If there are other underlying indices other than equity or commodity indices, other available categories are: interest rate; credit; currency and others. The categorisation of the underlying would follow the classification of the IB system (if any), and if we cannot classify it, the category applicable would be “Other Instruments”.

[^] This class includes any derivatives with commodity index underlying.

^{^^} OTC contracts should be put in the “Commodities derivatives and emission allowances derivatives – other commodities derivatives and emission allowances derivatives” class as an OTC product.

- Annual Publication
- The first publication covering the data for IBCE should be made available on IBCE’s website (not behind firewalls) by April 2020 or 2021 depending on the year it obtains its license. This publication should be made in a machine-readable electronic format and remain accessible for two years since the date of publication.

Classes of Financial Instruments*	IBCE-executed IBCE Orders	IBCE-executed Non-IBCE Orders
-----------------------------------	---------------------------	-------------------------------

Equities – Shares** & Depositary Receipts	Tick size liquidity bands 5 and 6 (from 2000 trades per day)		
	Tick size liquidity bands 3 and 4 (from 80 to 1999 trades per day)		
	Tick size liquidity band 1 and 2 (from 0 to 79 trades per day)		
Debt instruments	Bonds		
	Money markets instruments		
Interest rates derivatives	Futures and options admitted to trading on a trading venue	Index Options, Futures and Futures Options (see ^)	
	Swaps, forwards, and other interest rates derivatives		
credit derivatives	Futures and options admitted to trading on a trading venue	Index Options, Futures and Futures Options (see ^)	
	Other credit derivatives		
currency derivatives	Futures and options admitted to trading on a trading venue	Index Options, Futures and Futures Options (see ^)	
	Swaps, forwards, and other currency derivatives		
Structured finance instruments			
Equity Derivatives	Options and Futures admitted to trading on a trading venue	Index Options, Futures and Futures Options with Equities Index underlying	
	Swaps and other equity derivatives		
Securitised Derivatives	Warrants and Certificate Derivatives		
	Other securitised derivatives		
Commodities derivatives and emission allowances Derivatives	Options and Futures admitted to trading on a trading venue	Index Options, Futures and Futures Options with Commodity	

		Index underlying (excluding metal underlying ^)	
	Other commodities derivatives and emission allowances derivatives		
Contracts for difference		Stock CFD, Indices CFD, Fx CFD	
Exchange traded products (Exchange traded funds, exchange traded notes and exchange traded commodities)			
Emission allowances			
Other instruments		Indices Options, Futures and Futures Options (see ^)	

- NOTE:
- *Where, for one or several classes of financial instruments, an investment firm only executes a very small number of orders, information on the top five execution venues would not be very meaningful nor representative of order execution arrangements. It is therefore appropriate to require investment firms to clearly indicate the classes of financial instruments for which they execute a very small number of orders by selecting “Y” or “N” in the field “Notification if <1 average trade per business day in the previous year.
- **Inclusive of IBCE-carried accounts.
- ^For Indices Options, Futures and Futures Options, if there are other underlying indices other than equity or commodity indices, other available categories are: interest rate; credit; currency and others. The categorisation of the underlying would follow the classification of the IB system (if any), and if we cannot classify it, the category applicable would be “Other Instruments”.
- ^^ This includes any derivatives with commodity index underlying.

Template of the Top 5 Venues for Retail (Table 1) and Professional Client (Table 2).

Table 1

Class of Instrument					
Notification if <1 average trade per business day in the previous year	Y / N				
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Name and Venue Identifier (MIC or LEI)					
Name and Venue identifier (MIC or LEI)					
Name and venue identifier (MIC or LEI)					
Name and venue identifier (MIC or LEI)					
Name and venue identifier (MIC or LEI)					

Table 2

Class of Instrument					
Notification if <1 average trade per business day in the previous year	Y / N				
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Name and Venue Identifier(MIC or LEI)					
Name and Venue identifier(MIC or LEI)					
Name and venue identifier(MIC or LEI)					
Name and venue identifier(MIC or LEI)					
Name and venue identifier(MIC or LEI)					

- **NOTE:**
For the professional template (data for table 2), the data set includes:
 - all IBCE-carried products executed for customers classified as professional in accordance to the MiFID Professional Client Notification; and
 - all products traded in IBCE-carried account

Appendix B - Relative importance of execution factors by asset classes - Application by Business and Product

In determining whether best execution is owed on particular transactions the context, means of interaction and nature of the order are also considered – further details on specific trading scenarios is provided below.

The below scenarios indicate the relative importance IBCE will assign to the various execution factors when transmitting or executing orders that are in-scope for the best execution obligation for trade orders that are:

- 1) In liquid instruments;
- 2) Under normal market conditions; and
- 3) For an average size order in that financial instrument.

Note: The relative importance assigned to the various execution factors may vary for large orders, illiquid instruments, or where market conditions are not normal, or for other rare scenarios including factors beyond those listed above. The receipt of specific instructions may also affect the relative importance assigned to the various execution factors.

1. Equities and Equity-like instruments (including warrants, structured products and exchange trade funds)

Equities are typically available to be traded on multiple venues and IBC's SmartRouting algorithm will determine which venue to execute against or place a non-marketable order.

Unless stated otherwise, across all equity products the ranking of the primary execution factors is typically as follows:

When routing Marketable Orders:

1. Price
2. Cost
3. Speed

The remaining execution factors –, likelihood of execution, order size, nature of the order and any other consideration relevant to the efficient execution of the client's order - are generally given equal ranking.

When routing Non Marketable Orders:

1. Likelihood of execution and cost, weighted by customer preference
2. Size and market impact

The remaining secondary execution factors – speed, nature of the order and any other consideration relevant to the efficient execution of the customer's order - are generally given equal ranking.

N.B.: for European equities cost is factored into price.

2. Exchange Traded Derivatives – Equities and fixed income, commodity and currency futures and option futures and options

These instruments are typically traded only on the Execution Venue of their listing and therefore the customer selects the venue in deciding which instrument he wishes to trade. Application of best execution is therefore limited to liquidity available on the relevant Execution Venue for the instrument, as there is no discretion regarding the market to which to route the order.

Unless stated otherwise, across all exchange-traded derivative products the ranking of the primary execution factors are as follows:

When routing Marketable orders:

1. Price and cost
2. Speed of execution

The remaining execution factors –order size, nature of the order and any other consideration relevant to the efficient execution of the customer's order - are generally given equal ranking.

When routing Non Marketable orders

1. Likelihood of execution and cost, weighted by customer preference
2. Size and market impact

The remaining secondary execution factors –speed, nature of the order and any other consideration relevant to the efficient execution of your order - are generally given equal ranking.

3. Fixed Income (Debt instruments, credit and rates products).

Within the EEA, Regulated Markets, MTFs, OTFs and Systematic Internalisers will generally provide transparency on bids/offers placed through their systems and outside of Europe, similar trading platforms or online, auction-type venues (e.g., MarketAxess, Tradeweb, "BWIC"/"OWIC" functions) will provide market transparency and/or provide the opportunity for simultaneous, competitive bids/offers which enable price discovery. These venues typically are the preferred venues in which to effect fixed income transactions and are accessed through IBLLC, an affiliate. In general, the use of these venues essentially performs the price discovery function and enables firms to seek the best price, by initiating competition among multiple independent third parties. These venues typically charge no execution fees for marketable orders.

Unless stated otherwise, across all fixed income products the ranking of the predominant execution factors is typically as follows:

When routing Marketable orders:

1. Price
2. Order size

The remaining secondary execution factors –cost, likelihood of execution, speed, nature of the order and any other consideration relevant to the efficient execution of your order - are generally given equal ranking.

When routing Non Marketable orders

1. Price

2. Likelihood of execution

The remaining secondary execution factors –speed, cost, nature of the order and any other consideration relevant to the efficient execution of your order - are generally given equal ranking.

4. CFD's

IBCE is the counterparty to clients in an equity CFD trade and will issue the client facing CFD. To offset the market risk, IBCE executes an equal and opposite trade against an identical CFD issued by its Executing Partner, IBUK, which will trigger an order for the underlying stock in IBG's proprietary trading system. The stock order is executed using IB's standard SmartRoutingSM technology to obtain best execution. When the stock order has filled and IBUK executes with IBCE, IBCE fills the client's order at the identical price.

IBCE FX and Index CFDs are traded in a comparable way. For FX CFDs, IBCE will trade with its Executing Partner, IBL. IBL will first trade a cash position with one of the world's largest foreign exchange dealers, and then fill the CFD order with IBCE at the identical price.

Since Index CFDs are traded in fractions of the reference future, they are necessarily market made. The quotes are derived from the near future and match the future tick for tick. IBCE executes each client CFD order to a filled proprietary order with IBL.

IBCE does not widen the quote on the CFD executed with the client and therefore earns no markup. IBCE does charge a transparent commission for its role in the execution.

We consider that best execution is generally owed in respect of CFD's. Where we owe best execution, it applies to the execution by us of the CFD, but is measured and monitored by reference to the execution of the cash hedge, as the price of the CFD reflects the price of the hedge. The relative importance of the best execution factors therefore tracks that of the underlying cash asset, as discussed above.

5. Mutual Funds (Collective Investment Schemes)

Subscriptions or redemptions of investment funds are transacted at the applicable net asset value for the particular transaction, using relevant transactional platforms, such as FundSettle or Euroclear, to this end, or, in limited cases, dealing directly with the fund administrator.

The only relevant best execution factor is speed, in that the prevailing price quoted by the fund manager or administrator is available until a certain time of day, and orders should be submitted by the client and IBCE to IBLLC for processing before the cut off.

Appendix C – Relevant venues and Executing Partners

Execution Partners								
Exchange	Stocks	Bonds	Options	Futures	FOPs	ETPs	Listed Structured Products	
Interactive Brokers LLC								
EUROPE								
Bolsa Madrid	X					X		
Euronext : Lisbon	X							
ICE: IPE				X				
AMERICAS								
American Stock Exchange	X		X			X		
BATS Global Markets	X		X			X		
BMV: Mexican Stock Exchange	X					X		
Boston Options Exchange			X					
CME: CBOE				X				
CME: CBOT				X	X			
CME: NYMEX				X				
Chicago Stock Exchange	X					X		
Direct Edge	X					X		
ICE: US				X				
IEX	X					X		
ISE			X					
ISE: Gemini			X					
ISE: Mercury			X					
MEMX: Members Exchange	X					X		
MIAX			X					
MIAX: Emerald			X					
MIAX: Pearl	X		X			X		
NASDAQ OMX	X		X			X		
NYSE	X					X		
NYSE: ARCA	X					X		
NYSE: ArcaEdge	X					X		
NYSE: Liffe US			X	X	X			
Philadelphia Stock Exchange			X					
Small Exchange				X				
Other Market Centers	X	X						
Interactive Brokers (U.K.) Limited								
EUROPE								
BMV: Mexican Derivates Exchange					X	X		
Budapest Stock Exchange	X							
Borsa Italiana	X		X	X		X	X	
CME: CBOE Europe	X							
CME: MexDer				X				
ICE: EU			X	X	X			
London Stock Exchange	X					X		
Moscow Exchange	X					X		
Tel Aviv Stock Excvhange	X					X		
Tradegate Exchange	X							
Warsaw Stock Exchange	X							
Other Market Centers	X							
Interactive Brokers Luxembourg SARL								
EUROPE								
Budapest Stock Exchange	X							
CBOE Europe	X							
Equiduct Exchange								
MEFF			X	X				
NASDAQ: Baltic	X							
Warsaw Stock Exchange	X							

IBKR Financial Services AG								
EUROPE								
	CBOE Europe	X						
	Eurex			X	X	X		
	Euronext: Amsterdam, Brussels, Paris	X		X	X		X	X
	Frankfurt Stock Exchange	X					X	X
	Gettex	X						X
	NASDAQ: Nordic	X						
	NASDAQ OMX - Stockholm	X					X	
	SIX Swiss Exchange	X					X	X
	Stuttgart Stock Exchange	X					X	X
	Turquoise	X						
	Vienna Stock Exchange	X						
	Xetra	X					X	
APAC								
	Singapore Exchange	X		X	X	X	X	
Interactive Brokers Canada Inc.								
AMERICAS								
	Chi-X Canada	X					X	
	CSE	X						X
	TMX: Montreal Exchange			X	X			
	TMX: Toronto Stock Exchange	X					X	
	TMX: TSX Venture Exchange	X					X	
	Other Market Centers	X		X		X		
Interactive Brokers Corp								
AMERICAS								
	Chicago Board Options Exchange			X				
Interactive Brokers Hong Kong Limited								
APAC								
	HKEX: Hong Kong Futures Exchange			X	X		X	X
	HKEX: Hong Kong Stock Exchange	X	X	X			X	X
	KRX: Korea Exchange			X	X			
	Shanghai-Hong Kong Stock Connect, Shenzhen-Hong Kong Stock Connect	X						
Interactive Brokers Securities Japan Limited								
APAC								
	Japannext	X						
	Osaka Exchange			X	X	X		
	Tokyo Stock Exchange	X						
Interactive Brokers Australia Pty Limited								
APAC								
	Australian Stock Exchange	X		X			X	X
	Chi-X Australia	X						
	Sydney Futures Exchange				X			
Interactive Brokers (India) Private Limited								
APAC								
	National Stock Exchange of India	X		X	X		X	



Interactive Brokers Central Europe Zrt.

ANNOUNCEMENT

Annex 5 to the GBR:

Conflict of Interest

Valid from: 11 January 2021

1. ENFORCEMENT

Interactive Brokers Central Europe Zrt (hereafter “IBCE” or “The Company”) are responsible for complying with the rules and procedures for Conflict of Interest.

The purpose of this Announcement is to set out how IBCE prevents, discovers and manages potential and actual conflicts of interest where IBCE provides investment services to its clients. This Announcement therefore sets out the company’s overall approach in properly identifying and managing conflicts of interest.

2. LEGAL / REGULATORY REFERENCE

The requirements related to the identification and management of conflicts of interest derive from the following regulatory texts:

- Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU; and
- Commission Delegated Regulation (EU) 2017/565 of 25 April 2016 supplementing Directive 2014/65/EU as regards organisational requirements and operating conditions for investment firms and defined terms for the purposes of that Directive;
- Act CXXXVIII. of 2007 on Investment Firms and Commodity Dealers, and on the Regulations Governing their Activities;
- Act CXX. of 2001 on capital markets;
- Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation)

3. SCOPE AND EFFECT

The conflict of interest rules apply to all employees and persons who are in a legal relationship with the Company for the purpose of performing work (hereinafter jointly: employees) and to all service providers (including those that perform outsourced services to the Company) and affiliates of Interactive Brokers Group (IBG) acting for or on behalf of IBCE (hereafter the “Service Providers”).

4. KEY DEFINITIONS

TERMS	DEFINITIONS
ED	Executive Directors
CEO	Chief Executive Officer
SB	Supervisory Board
MNB	Magyar Nemzeti Bank (Central Bank of Hungary)
CCO	Chief Compliance Officer
IBG	Interactive Brokers Group
IBCE	Interactive Brokers Central Europe Zrt.

5. IDENTIFICATION OF CONFLICT OF INTEREST

5.1. DEFINITION OF A CONFLICT OF INTEREST

A conflict of interest is a conflict that can arise in any area of business, in the course of providing an investment service or a services auxiliary to investment services, and whose existence may damage the interests of a client. A conflict of interest arises when one’s work could be affected by one’s personal financial matters or a close personal relationship. A conflict of interest could also arise if one’s work could be affected by a personal interest of

one's close family or any other close personal relationship with an individual. A conflict of interest becomes significant if any person - within or outside of the Company - might reasonably believe there is a risk of your actions, or those of a personal associate, being inappropriately influenced.

5.2. EXAMPLES OF SITUATIONS OF CONFLICT OF INTEREST

Conflicts of interest, or perceived conflict of interest, may arise in various ways, such as the ones described below.

The IBCE has identified the following areas as representing a greater risk given the nature of its business:

- The IBCE employees deceive clients while performing work in order to increase the profit or to avoid loss of IBCE to the disadvantage of the client.
- The IBCE employees trading for their personal accounts based on the client's transactions.
- The IBCE employees engaging in outside business interests that may be to the disadvantage of IBCE or its clients.
- IBCE employees fostering a (group of) client's interest over interests of other clients, causing possible financial loss to another such client.

Conflicts of interest, or potential conflict of interest, typically arise in the following cases:

- The IBCE, its employees Service Providers is likely to make a financial gain or avoid a financial loss to the detriment of the client,
- The IBCE, its employees, Service Providers has an interest in the result of the service provided to the client or in a transaction performed on behalf of the client, which interest is different from the client's interest in the result,
- The IBCE, its employees, Service Providers favors the interests of another client or group of clients over the interests of the client due to financial or other incentives,
- The IBCE, its employees, Service Providers has an interest in the same business as the client,
- The IBCE, its employees, Service Providers receives or will receive an incentive in the form of a cash or non-cash benefit or service from a person other than the client in connection with the service provided to the client,
- A client may benefit or avoid a loss to another client's probable disadvantage

The disadvantage is probable

- if it can be expected to occur with high certainty on the basis of known market developments,
- in case of a transaction for which the IBCE requests or accepts an incentive after the transaction and the amount or method of calculation of the incentive has not been disclosed to the client before the service is provided,
- in case of a transaction involving a financial instrument that's issuer or fund manager may be linked to the IBCE or to the same group as the IBCE and the fact has not been disclosed to the client before the service is provided.

The IBCE, its employees, Service Providers – by misusing inside information – may gain an illegal advantage, regardless of whether another company or a third party may suffer a loss as a result. The circumstances leading to conflict of interest are typically the following:

- interest in the transaction,
- remuneration, acceptance of incentives,
- accepting gifts,
- personal transactions of employees,
- parallel activities of employees,
- misuse of inside or confidential information,
- market manipulation,

-
- allocation.

6. DISCLOSURES OF CONFLICTS OF INTEREST

In view of the nature of the IBCE's business model, services offered, and activities performed, IBCE takes all appropriate steps to identify, prevent and manage circumstances which may give rise to real or potential conflicts within IBCE and also with respect to other relationships such as those between:

- (i) two clients;
- (ii) the IBCE's clients and IBCE or any employee of IBCE or existing outsourcing service provider, including a service provider within IBG;
- (iii) the IBCE and the IBCE group companies;
- (iv) the IBCE and employees of IBCE, including managers and executive employees;
- (v) the IBG's group companies, or any person directly or indirectly linked to the IBCE or the IBG group companies by control; or
- (vi) the IBCE and a potential or existing outsourcing Service provider, including a service provider within the IBG.

If measures taken by IBCE are not sufficient to ensure, with reasonable confidence, that risks of damage to the interests of the client can be prevented, IBCE's Compliance function discloses to the client the nature of the conflict of interest, the sources of the conflict of interest and the steps to be taken to mitigate those risks to the client before undertaking business for the client.

The disclosure is made via a durable medium with a sufficient specific description of the conflicts of interest that arise in the provision of IBCE's services, taking into account the nature of the client, and the risks to the clients that arise as a result of the conflicts of interest to enable the client to take an informed decision with respect to the service in the context of which the conflict of interest arises.

7. REGISTER OF CONFLICTS OF INTEREST AND PERSONAL TRANSACTIONS

IBCE maintains and operates effective organizational and administrative arrangements with a view to taking all reasonable steps to prevent conflicts of interest from adversely affecting the interests of our clients.

IBCE maintains a register of the investment services and ancillary services carried out by or on behalf of IBCE which could give rise to a conflict of interest and maintains a register on the personal transactions of the employees. This register serves to facilitate the management of potential conflicts of interest.

8. IBCE POLICIES TO PREVENT AND MANAGE ANY POTENTIAL CONFLICTS OF INTEREST

IBCE has identified within its conflicts of interest register a range of circumstances which may give rise to a potential conflict of interest, none of which are a material risk to IBCE clients. IBCE is of the view that the nature, scale and simplicity of IBCE's business model does not give rise to conflict of interests involving a material risk to IBCE customers. The conflict of interest is further mitigated by the relatively limited scope of IBCE's activities.

For example, IBCE:

- does not engage in portfolio managements services,
- does not issue investment advice to its customers, all of whom make their investment decisions,
- does not influence or encourage customers to utilize any strategies,
- and does not issue formal research and investment analysis.

IBCE has identified a range of circumstances which may give rise to a potential conflict of interest and, albeit not a material risk to IBCE clients, puts in place specific measures and controls to prevent, manage and mitigate conflicts of interest.

Employees follow written supervisory procedures to address conflicts of interest arising out of the normal course of business including, but not limited to: employee personal trading and outside business interests; information barriers; and, derivatives clearing.

8.1. PERSONAL CONFLICTS OF INTEREST

To avoid personal conflict of interest employees of IBCE, other persons performing work for IBCE under other legal relationship and their close relative² may:

- not have a direct or indirect shareholding in another investment firm outside of IBG,
- not be a trader, an employee or an executive in another investment firm outside of IBG or any company that has a direct or indirect shareholding in another investment firm outside of IBG,
- not be an employee of the issuer of a listed security (excluding the case of a security issued and listed by a member of IBG).

8.2. SEGREGATION WITHIN THE ORGANIZATION

IBCE uses information boundaries within its organization to avoid conflict of interest. Information boundaries are the means of preventing the flow of information between individual organizational units and IT systems, which are contained in the regulations referred to in these regulations.

The purpose of the separation of departments is to ensure that IBCE and its employee is not in a position to influence transactions between its customer, the various financial and capital market business lines and other market participants in the light of the information available to it in relation to its activities.

8.3. ACCEPTANCE OF GIFTS OR OTHER INCENTIVES

Employees of IBCE, persons performing work for IBCE under other legal relationship and their close relative may not request, accept, or give material or non-material benefit, advantage, except if:

- to or from a client or any person proceeding on its behalf and the benefit is given in relation to the investment or ancillary services provided by IBCE
- the method used to calculate the material or non-material benefit, or the amount of the benefit, has been accurately, consistently and clearly disclosed to the client prior to the conclusion of the contract or order and the benefit is given for improving the quality of the activity performed or the service provided and IBCE proceeds on the primacy of the Client's interest
- the benefit is related to the investment or ancillary services provided by IBCE and IBCE proceeds on the primacy of the Client's interest
- the benefit's value is small or symbolic (e.g. flowers, invitation for coffee).

8.4. REMUNERATION POLICY

The remuneration policy of IBCE is consistent with effective and efficient risk management, facilitates its application and does not encourage the Company or its employees to take risks in excess of its risk limits.

The Company develops the remuneration structure of the employees performing the internal regulation and control function in such a way that it does not compromise their independence or it does not create a conflict with their supervisory role or their advisory and reporting role that they perform towards the CEO and the SB.

The remuneration of the managers and employees of the internal regulation and control functions is directly independent of the performance of the departments supervised by them. The Company operates an incentive system that takes greater account of the risk-return ratio and compliance with risk management rules. The remuneration policy is in line with the Company's business strategy, the objectives, values and long-term interests, and includes measures to avoid conflicts of interest.

² Close relative under Hungarian law (the Civil Code of Hungary) is: the spouse, the direct relative, the adopted child, stepchild and foster child, the adoptive parent, stepfather and foster parent, the sibling, the life partner, the spouse and sibling of the direct relative and the spouse of the sibling.

8.5. TRAINING

The Compliance department conducts or organizes a conflict of interest training at least once a year. The scope of the training includes all the provisions that the Company has put in place to prevent conflicts of interest. The Compliance department, with the involvement of the European Human Resources, ensures that all employees state in writing that they know and observe the conflict of interest rules.

8.6. OTHER POLICIES

In addition to these regulations, the Company's internal policies, in particular the Best Execution Policy, the Remuneration Policy and the market abuse regulations, together ensure that conflicts of interest are avoided.

8.7. REPORTING OBLIGATION

The Compliance Officer provides the CEO and the SB information on conflicts of interest at least annually, as part of its annual report.

The report shall include the cases of conflicts of interest from the register for which risk mitigation measures have been taken.

8.8. PUBLICATION OF THE EXTRACT OF THIS WSP

The general business rules of IBCE shall contain a summary of this WSP as its annex and shall be published on the website of IBCE.

9. REVIEW AND MANAGEMENT OVERSIGHT

9.1. MANAGEMENT ACCOUNTABILITY

IBCE's CEO oversees that this Policy provides for the effective handling of conflict of interest within IBCE.

9.2. DISCLOSURES OF CONFLICTS

In the unlikely scenario where a situation gives rise to conflicts of interest, IBCE employees are required to report in writing any conflict of interests to the IBCE Compliance department. Every disclosure and any related issue are reviewed and clearly documented. IBCE keeps a written record of the conflict of interest as well as of the process from when a conflict of interest is identified.

According to section 8 of this WSP, if the measures taken by IBCE are not sufficient to ensure, with reasonable confidence, that risks of damage to the interests of a client can be prevented, IBCE discloses the nature of the conflict of interest, the sources of the conflict of interest, a specific description of the conflict of interest and the steps to be taken to mitigate those risks to the client before undertaking business for the client. The description shall explain the general nature and sources of the conflicts of interest and the risks to the client as a result of the conflicts of interest and the steps taken to reduce those risks; all in sufficient detail to enable the client to make an informed decision regarding the investment or ancillary service in respect of which conflicts of interest arise.

The information should clearly state that the organizational and administrative solutions developed by the Company to prevent or manage conflicts of interest are not sufficient to ensure with sufficient reliability to prevent the risk of harm to the client's interests.

Such disclosure is made via a durable medium before undertaking business for the client and includes sufficient detail, taking into account the nature of the client, to enable him to take an informed decision with respect to the service in the context of which the conflict of interest arises.

Over-reliance on disclosure without adequate consideration as to how conflicts may appropriately be managed is not permitted. IBCE treats disclosure of conflicts as a measure of last resort to be used only where the effective organizational and administrative arrangements established to prevent or manage its conflicts of interest are

not sufficient to ensure, with reasonable confidence, that risks of damage to the interests of the client is prevented.

9.3. PERIODIC REVIEWS

The CCO regularly reviews, any conflict of interest register to maintain effective and appropriate management.

9.4. RESPONSIBILITIES OF THE COMPLIANCE DEPARTMENT

The Compliance Department is responsible for overseeing that conflicts of interest are considered in decisions made at senior management level and it reviews annually the conflicts risk assessment to ensure that risks are identified and that appropriate internal controls are in place.

10. RECORDS MANAGEMENT

Records are created and maintained in a manner that ensures that they are clearly identifiable, accessible, and retrievable in order to be available when required. All records are complete and accurate to show proof of validity and authenticity. The length of time for retaining records depends on the type of record and its importance to business functions. It's a fundamental requirement that all the records are retained for a minimum period for legal, operational reasons.

It is made reference to the global record keeping retention rules maintained by Compliance Technology to define the retention period for the various categories of records.



Interactive Brokers Central Europe Zrt

Annex 6 to the GBR:
COMPLAINTS HANDLING

Procedure

Valid from: 11 January 2021

Summary	This Written Supervisory Procedure (WSP) provides clear and up to date information on Interactive Brokers Central Europe Investment Ltd. (IBCE) complaints handling principles procedures. The activity is outsourced to Interactive Brokers LLC (IBLLC)
Author	Head of Compliance (CCO)
Department	Compliance
Scope	This WSP applies to all employees of IBCE without limitation and to all service providers and affiliates of Interactive Brokers Group (IBG) acting for or on behalf of IBCE (hereafter the "affiliates").
Ratifying Authority	CEO
Effective as from	December 14, 2020
Version	1.1
Replaces	n/a

Document Control

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

TABLE OF CONTENTS

TABLE OF CONTENTS.....	III
1 ENFORCEMENT	4
2 PURPOSE	4
3 LEGAL / REGULATORY REFERENCE	4
4 SCOPE	5
5 KEY ABBREVIATIONS.....	5
6 ROLES & RESPONSIBILITIES	5
7 WHAT IS A COMPLAINT?	5
8 HOW TO MAKE A COMPLAINT?	5
8.1	WRITTEN COMPLAINT 5
8.2	VERBAL COMPLAINT 6
8.3	HANDLING OF A COMPLAINT 6
9 COMPLAINANT'S RIGHT OF RECOURSE TO THE FAB, MNB OR COURT	7
10 MONITORING / REPORTING	8
11 REVIEW AND MANAGEMENT OVERSIGHT	9
11.1	Management accountability 9
11.2	Periodic Reviews 9
11.3	Responsibilities of Compliance 9
12 RECORDS MANAGEMENT	9

1 ENFORCEMENT

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

2 PURPOSE

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

3 LEGAL / REGULATORY REFERENCE

This ("WSP") is issued pursuant to;

LEGAL REQUIREMENT ID	LEGAL REQUIREMENT DESCRIPTION
Commission Delegated Regulation (EU) 2017/565 of 25 April 2016 supplementing Directive 2014/65/EU as regards organisational requirements and operating conditions for investment firms (Article 26)	Relating to management of complaints by investment firms such as IBCE
Regulation (EU) on online dispute resolution for consumer disputes and amending Regulation (EC) No 2006/2004 and Directive 2009/22/EC (Regulation on consumer ODR)	Relating to consumer disputes in connection with online service contract concluded with investment service provider, such as IBCE
Act CXXXVIII of 2007 on Investment Firms and Commodity Dealers, and on the Regulations Governing their Activities	Relating to management of complaints by investment firms such as IBCE
Government Decree 435/2016. (XII. 16.) on rules and procedures for the complaint handling of payment institutions, electronic money issuing institutions, voucher issuers, financial institutions and independent financial intermediaries	Relating to management of complaints by investment firms such as IBCE
MNB Decree 46/2018. (XII. 17.) laying down detailed rules concerning the form and manner in which complaints are to be dealt with by financial institutions	Relating to management of complaints by investment firms such as IBCE
MNB Recommendation 13/2015 (X. 16.) on the complaint handling procedures for financial institutions	Supervisory recommendation relating to management of complaints by investment firms such as IBCE
Act CXII of 2011 on the Right of Informational Self-Determination and on Freedom of Information	Related to data protection (legal protection of personal data)
Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and	Related to data protection

4 SCOPE

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

5 KEY ABBREVIATIONS

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

6 ROLES & RESPONSIBILITIES

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

7 WHAT IS A COMPLAINT?

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

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

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

8 HOW TO MAKE A COMPLAINT?

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

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

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

8.1 WRITTEN COMPLAINT

This can be in the form of the following:

- Via post by means of a signed letter send to Interactive Brokers Central Europe Zrt. Complaints Handling, Compliance Department
- IBCE (1075 Budapest, Madách Imre út 13-14.), using a free text format or downloaded from the MNB's website. (Form is in Annex A)

- Email, using a form free of formalities on the following email:
help@interactivebroker.com

In order to ensure that complaints are flagged and given the required attention, writing "COMPLAINT" in the subject header field of the email is required.

- Creation of a Web-ticket in Account management.

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

8.2 VERBAL COMPLAINT

A verbal complaint may be made:

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

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

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

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

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

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

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

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

8.3 HANDLING OF A COMPLAINT

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

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

The complaint is forwarded to relevant staff who investigates and assesses the complaints diligently, fairly and promptly. Once the complaint has been received by IBCE a written acknowledgement is sent to the client within 10 business days by Web-Ticket. The Web-Ticket will

provide the customer with information on how the complaints process works, contact details and the name of the case handler. When the investigation takes longer than one month, customer will be kept updated on the progress of the complaint.

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

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

- the name of the complainant;
- contract number, client identifier number given by IBCE;
- the registered office, address and mailing address of the complainant;
- the telephone numbers of the complainant;
- method of notification;
- the product or service complained of;
- description of the complaint, reason;
- complainant's claim;
- a copy of the documents in the complainant's possession required in support of the complaint, which are not available at the department handling the complaint;
- a power of attorney (and details thereof) for a complainant acting through a third party;
- other data necessary for the investigation and response of the complaint.

Once the investigation has been completed a final response will be sent to the customer with findings and the outcome of the complaint.

The reply to the client, whether it be positive or negative, must indicate the reasons for the decision, a copy is kept in the clients file and the complaints log must be updated accordingly.

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

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

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

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

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

If the complaint is rejected or the 30-calendar-day deadline for investigating the complaint is not met, the client may initiate proceedings at the MNB, the Financial Arbitration Board (FAB) or the court.

- If the client seeks an investigation into a breach of consumer protection provisions, client may appeal to the Financial Consumer Protection Centre of the MNB (registered address: 1013 Budapest, Krisztina krt. 39., mailing address: 1534 Budapest, BKKP Pf. 777, phone: +36-80-203-776, e-mail address: ugyfelszolgalat@mnbb.hu,

details available on the MNB website (<https://www.mnbb.hu/en/financial-customer-protection>)

For the request to Financial Consumer Protection Centre of the MNB, please see Annex B.

- Client can initiate an arbitration at Financial Arbitration Board operated by the MNB. Contact with FAB may take place in writing, by post or by email (registered address: 1054 Budapest, Szabadság tér 9., mailing address: 1525 Budapest, Pf. 172, phone: 36 (80) 203 776, e-mail address: ugyfelszolgalat@mnbb.hu) details available on the its website (<https://www.mnbb.hu/en/hungarian-financial-arbitration-board>)

For the request to the FAB, please see Annex C.

According to the Regulation (EU) No 524/2013 of the European Parliament, the consumer can initiate an out-of-court settlement of a dispute online through an online dispute resolution

platform at a jointly chosen dispute resolution forum. In Hungary, the Financial Conciliation Board is entitled to settle financial consumer disputes. Website of the online dispute resolution platform: <http://ec.europa.eu/odr> Further information is available on the website of the online dispute resolution platform: <https://webgate.ec.europa.eu/odr/userguide> .

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

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

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

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

If the client's complaint concerns the settlement of a consumer dispute related to a product / service purchased with an online sales / online service contract concluded between the client and IBCE (hereinafter: online shopping) and the complaint is rejected, the above-mentioned consumer dispute may be settled out of court. In addition to the remedies available, the client may exercise the following option. After registering on the website of the online dispute resolution platform set up by the European Union (<http://ec.europa.eu/odr>), the client can initiate an online purchase dispute settlement by filling in an electronic form.

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

10 MONITORING / REPORTING

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

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

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

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

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

11 Review and Management Oversight

11.1 Management accountability

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

11.2 Periodic Reviews

Compliance function reviews periodically the updates on complaints handling.

11.3 Responsibilities of Compliance

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

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

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

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

12 RECORDS MANAGEMENT

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

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

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

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

**COMPLAINT TO BE SUBMITTED TO
INTERACTIVE BROKERS CENTRAL EUROPE ZRT.
FOR RESOLVING DISPUTES INVOLVING FINANCIAL INSTITUTIONS**

Financial institution involved in the complaint	
Name:	

Data of the parties

Client	
Name:	
Contract/client number:	
Residential address / registered office / mailing address:	
Phone number:	
Method of communication (mail or email):	
Documents attached (e.g. invoice, contract, power of attorney)	

The client's complaint and claim

Date of submission of the complaint to the financial institution (in case of a complaint made in person):

--

Type of service involved in the complaint:

--

Reason for the complaint:

- No service was provided
- The service provided was not the one requested
- The service was provided late
- The service was not provided properly
- The service had been discontinued
- Damage was suffered
- Not satisfied with the circumstances of handling the case
- Incorrect information was provided
- Incomplete information was provided
- Does not agree with a change in fees/costs/interest rates
- Does not agree with additional costs
- Does not agree with other contractual terms
- Does not agree with the amount of the indemnification
- The indemnification was refused
- The indemnification provided was not satisfactory
- Termination of the contract
- Other complaint

Details if 'other complaint' was selected:

I. Detailed description of the complaint:

Please list your objections separately in order to ensure that all objections included in your complaint are addressed:

Date:

Signature:

Annex B

CONSUMER REQUEST
ADDRESSED TO THE
HUNGARIAN NATIONAL BANK

Please make sure to complete all fields marked with an asterisk, sign your request and attach a copy of any documents relevant to the case.

Please send your request to the following address:
Magyar Nemzeti Bank
1534 Budapest, BKKP Postafiók: 777.

***Name:**

***Residential address:**

Phone:

Fax:

Email:

***Name the financial service provider concerned:**

Interactive Brokers Central Europe Zrt.

Service type:

***Proof of the complaint submitted to the financial service provider**

Date of submission of the complaint to the financial service provider:	
Method of submitting the complaint to the financial service provider:	writing over the phone in person in
Date of the financial service provider's response to the complaint:	

*Please **attach a copy** of the document evidencing the complaint communicated by you to the financial service provider and the financial service provider's response to such complaint.

Other information used by the relevant financial service provider to identify you:
(e.g. account number, contract number):

--

***Your request submitted to the Hungarian National Bank:**

Date:

signature

ANNEX C

What you need to know about consumer requests addressed to the Hungarian National Bank

Before submitting your request to the Hungarian National Bank (MNB), please read the following. The following information assists you in filling out the request addressed to MNB.

- **Please ALWAYS try to resolve your dispute with the financial service provider FIRST.** To help achieve this, please consider using the form entitled "**Consumer complaints against financial service providers**", available at MNB's website at Consumer protection – Financial complaints – Forms.
(www.mnb.hu/fogyasztovedelem/penzugyi-panasz#formanyomtatvanyok)

A complaint is a client's objection against the conduct of the financial service provider and must be filed directly with the service provider. The service provider must deliver its opinion on the written complaint, along with a reasoning, within 30 workdays or, in the case of **payment services**³ (see bottom of page), within 15 workdays from the submission of the complaint. If none of the elements of a complaint relating to payment services can be responded to within 15 workdays for reasons out of the service provider's control, the service provider must deliver a temporary response that explains the reason for the delay in the final response and provides a deadline for the final response. Nevertheless, the deadline for delivering a final response may not be later than the 35th workday from the date of submission of the complaint.

It is important to note that you may file a complaint with MNB only if you have already attempted to resolve the complaint with the financial service provider and

- the financial service provider did not respond to your complaint within 30 days, or
 - your complaint was not properly investigated (e.g. you did not receive a response or received an incomplete response to your complaint), or
 - you object to the response received as you believe that the financial service provider's conduct, omissions, acts or activities with respect to you are infringing or misleading.
- In case of complaints involving payment services**, you may contact MNB if the service provider
- failed to respond or deliver a temporary response within 15 workdays from the submission of the written complaint, or
 - failed to deliver a final response regarding the complaint within 35 workdays from the submission of the written complaint.

- If you wish to contact MNB in light of the above, then please always make sure that **a copy of your complaint** submitted to the financial service provider **and the response to such complaint is attached to your request** to be filed with MNB, in order to facilitate the investigation of your case. **If the financial service provider failed to respond to your complaint**, then please also indicate this in your request.
- **Only consumers** may file a request with MNB. A consumer is a natural person who acts, enters into contracts or uses financial services for purposes unrelated to his independent occupation or economic activity.
- Please always affix your **hand-written signature** to your consumer request and indicate your **residential address**. If you wish to act by proxy, then please ensure that the **original power of attorney** issued to the authorised person is attached to your request.
- Pursuant to the law, a request may be filed with MNB **only within 5 years** from the infringement in dispute. In the event that the infringement in dispute is ongoing, this deadline shall begin when the conduct in dispute is ceased.
- **The administrative deadline for the procedure initiated based on your request is 6 months.** Obtaining information from the financial service provider and the submission of subsequent disclosures do not count towards the administrative deadline, **which means that these periods may extend the deadline for the procedure.**

³ **Payment services:** 1) services allowing cash deposits to be made into payment accounts and all activities necessary for managing payment accounts; 2) services allowing cash withdrawals to be made from payment accounts and all activities necessary for managing payment accounts; 3) conducting payment transactions between payment accounts, and 4) the same activity if the payment transaction is completed through a credit facility available to the client who uses the payment services; 5) issuing non-cash means payment (not including cheques and electronic money) and accepting payment transactions; 6) transfers of cash; 7) payment initiation services; 8) account information services

Amongst others, you may file a request with MNB in cases where you believe that

- the financial service provider failed to handle and investigate your complaint in the manner required by law,
- the financial service provider failed to comply with any of its obligations to provide information, as required by law,
- the financial service provider was engaged in unfair trade practices when dealing with you, e.g. you were provided with incorrect information or you were misled.

- It is important to note that MNB is **not authorised to act as an authority in legal disputes involving special contractual relationships**. Therefore, **in order to resolve disputes relating to the conclusion and performance of contractual relationships, you may also contact the Financial Arbitration Board operated by MNB instead of taking legal action**. In this case, please ensure that your complaint is addressed to the Financial Arbitration Board: "Financial Arbitration Board of the Hungarian National Bank", mailing address: H-1525 Budapest BKKP Pf.:172.
- Furthermore, please be informed that, **in the case of a civil law dispute, you may also take legal action**.

The independent Financial Arbitration Board operating within the organisation of MNB is competent if, for instance,

- the financial service provider terminated the contract prematurely,
- the client was forced to pay additional charges by the financial service provider which were not permitted under the contract, the general terms and conditions, the announcements or the list of conditions,
- the financial service provider committed a breach of contract that resulted in damages,
- the financial service provider disputes the fact that an insured event has occurred.

For instance, **only courts may resolve** legal disputes relating to the legal grounds for being listed in the Central Credit Information System (KHR).



150. GENERAL CONSUMER REQUEST

CASE NUMBER:

To be submitted in one copy to the Financial Arbitration Board

Place of confirmation of receipt

You may download this form from www.penzugyibekeltetotestulet.hu and may complete it by hand or electronically. When filling in the form, you may request assistance from the Customer Service Desk of the Hungarian National Bank (address: 1013 Budapest, Krisztina krt. 39.) or the financial advisory offices operating as MNB's partners, the contact details of which can be found at <https://www.mnb.hu/fogyasztovedelem/tanacsado-irodak>. You may send the completed form to our mailing address (Pénzügyi Békéltető Testület 1525 Budapest, Postafiók 172) or may submit it in person at the Customer Service Desk of MNB or at Government Offices. In this case, you will not be charged for postage. The request may also be submitted in electronic form via the e-government portal (www.magyarorszag.hu).

place of barcode



1A. APPLICANT's data: (Any person qualifying as a CONSUMER, i.e. a natural person acting for purposes unrelated to his independent occupation and economic activity, may be an applicant.)

A.1	Applicant's name:				
A.2	Residential or mailing address:				
A.3	Date of birth:	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
A.4	Phone number:				
1A.5	Capacity: Please mark with an X as applicable	<input type="checkbox"/> debtor	<input type="checkbox"/> absolute guarantor	<input type="checkbox"/> mortgager	<input type="checkbox"/> heir
		<input type="checkbox"/> in the case of insurance contracts: contractor	<input type="checkbox"/> insured	<input type="checkbox"/> beneficiary	<input type="checkbox"/> fund member
		<input type="checkbox"/> other (please describe)			

1B. ADDITIONAL APPLICANT's data: (Any person qualifying as a CONSUMER, i.e. a natural person acting for purposes unrelated to his independent occupation and economic activity, may be an applicant.)

B.1	Applicant's name:				
B.2	Residential or mailing address:	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>			
B.3	Date of birth:	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>			
B.4	Phone number:				
1B.5	Capacity: Please mark with an X as applicable	<input type="checkbox"/> debtor	<input type="checkbox"/> absolute guarantor	<input type="checkbox"/> mortgagor	<input type="checkbox"/> inheritor
		<input type="checkbox"/> in the case of insurance contracts: contractor	<input type="checkbox"/> insured	<input type="checkbox"/> beneficiary	<input type="checkbox"/> fund member
		<input type="checkbox"/> other (please describe)			

150 -A	Name of applicant as per point 1A: _____	Date of birth: □□□□ □□ □□

2. PROXY's data:

If you wish to act via a proxy, please also fill in and sign the form entitled POWER OF ATTORNEY, obtain the signature of two witnesses and attach the original copy as an annex to the request.

.1	Proxy's name:	
.2	Residential or mailing address:	
.3	Phone number:	

3. Data of the FINANCIAL SERVICE PROVIDER:

.1	Name of the financial service provider:	
.2	Address of the financial service provider:	

Data of any ADDITIONAL SERVICE PROVIDER (*Please fill in this section only if you request that the procedure be initiated against an additional service provider.*)

.3	Name of the additional financial service provider:	
.4	Address of the additional financial service provider:	

4. DECLARATION ON DISQUALIFYING CIRCUMSTANCES PREVENTING THE INITIATION OF THE PROCEDURE:

The Financial Arbitration Board may only initiate the procedure if none of the disqualifying circumstances listed below apply. It is important that you indicate your response for each item.

Based on the same factual data and for the same right

.1	- a procedure of the Financial Arbitration Board has been initiated before	<input type="checkbox"/> no / <input type="checkbox"/> yes
.2	- a mediation procedure has been initiated before	<input type="checkbox"/> no / <input type="checkbox"/> yes
.3	- there is a pending civil procedure	<input type="checkbox"/> no / <input type="checkbox"/> yes
.4	- a final judgement has already been adopted in the case or a binding warrant for payment has been issued	<input type="checkbox"/> no / <input type="checkbox"/> yes
.5	- the applicant has previously submitted an equity request to the Financial Arbitration Board	<input type="checkbox"/> no / <input type="checkbox"/> yes

5. Data related to the COMPLAINT SUBMITTED TO THE FINANCIAL INSTITUTION:

Please be informed that the Financial Arbitration Board may only initiate the procedure if you have attempted to resolve the dispute directly with the financial service provider and your complaint (equity request) has been rejected. If you have not lodged a complaint (equity request) with the financial service provider, you may not initiate the procedure of the Financial Arbitration Board.

.1	When did you submit your complaint/equity request to the financial institution? (day)
----	---	-------------------

		(month) (year)
.2	Please mark with an X if the financial institution <u>did not respond</u> to your complaint/equity request and 30 days have passed since the receipt of the complaint.	<input type="checkbox"/> yes
.3	When did you receive the financial institution's letter on the rejection of the complaint/equity request?	..... (day) (month) (year)

*Please mark with an X if you would like to continue point 6.2 on additional sheet 150-B/1: **yes***

150- B/1	ADDITIONAL SHEET FOR POINT 6.2 Name of applicant as per point 1A: _____	Date of birth: <table border="1"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr></table>								

Detailed presentation of the reason for the request (point 6.2 continued):

150	Name of applicant as per point 1A: _____	Date of birth: <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="border: 1px solid black; width: 25px; height: 25px;"></td> <td style="border: 1px solid black; width: 25px; height: 25px;"></td> <td style="border: 1px solid black; width: 25px; height: 25px;"></td> <td style="border: 1px solid black; width: 25px; height: 25px;"></td> <td style="border: 1px solid black; width: 25px; height: 25px;"></td> <td style="border: 1px solid black; width: 25px; height: 25px;"></td> </tr> </table>						

7. ANNEXES TO THE REQUEST:

The procedure may **only** be initiated if you have attached the documents supporting your claim to the request.
In the case of points 7.1.1 to 7.1.4 and 7.2.1 to 7.2.3, you only need to indicate that you have attached the document by placing an X in the relevant checkbox on the form, whereas

in the case of point 7.2.4, please list the additional instruments you have attached.

7.1 Annexes related to points 2 through 5 of the request:			
.1.1	7	The complaint/equity request submitted by you to the financial institution	attached: <input type="checkbox"/>
.1.2	7	Letter of the financial institution on the rejection of the complaint/equity request	attached: <input type="checkbox"/>
.1.3	7	If you have not received a response to your complaint from the financial institution, the document evidencing the submission of the complaint (e.g. the post office receipt of the registered mail)	attached: <input type="checkbox"/>
.1.4	7	Original copy of the completed and signed Power of Attorney form if you have filled in point 2 of the request	attached: <input type="checkbox"/>

7.2 Annexes related to point 6 of the request:			
2.1	7.	Document confirming the legal relationship pertaining to the financial services (e.g. contract, insurance proposal, insurance policy)	attached: <input type="checkbox"/>
2.2	7.	Documents related to the insurance service claim (e.g. claim assessment protocol, expert opinion, quote or invoice)	attached: <input type="checkbox"/>
2.3	7.	Warrants for payment, litigation and foreclosure documents related to the subject matter of the request	attached: <input type="checkbox"/>

7.2.4

Additional documents supporting the request:
(Please list the attached additional documents.)

150 -D	Name of applicant as per point 1A:	Date of birth:							
		<table style="display: inline-table; border-collapse: collapse;"> <tr> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> </tr> </table>							

8. I hereby submit the following definite request to be evaluated by the Financial Arbitration Board, based on which I request that the procedure be conducted.

Dated:, (day) (month)

.....

Signature of the applicant specified in point

Signature of the applicant specified in Point

1A* I hereby acknowledge that my personal data provided in this request (and any special category data provided in this regard) may be managed by the Financial Arbitration Board in the procedure launched on the basis of this request for the necessary period and to the extent necessary for conducting the procedure, and that such data may be transferred to third parties if required by law.

By signing this form I agree that, in addition to my personal data, any special category data provided by me may also be managed by the Financial Arbitration Board in the procedure launched on the basis of this request for the necessary period and to the extent necessary for conducting the procedure, and that such data may be transferred to third parties if required by law.

Furthermore, I acknowledge that if the person involved is of the opinion that the processing of data violated the statutory regulations, such person may initiate a procedure with the internal data protection officer of the Hungarian National Bank or may take legal action. In addition, anyone may request an investigation by reporting to the National Authority for Data Protection and Freedom of Information on the grounds that there has been a violation concerning the exercise of rights relating to the processing of personal information, or there is a direct risk of such a violation.

To be completed only if you wish to act by proxy.

POWER OF ATTORNEY

I, the undersigned

Applicant's (principal's) name:	
Residential address:	
Date and place of birth: <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	Place of birth:

hereby authorise:

Proxy's name:	
Residential address:	
Date and place of birth: <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	Place of birth:

to act on my behalf and in my name with full powers before the Financial Arbitration Board in the procedure initiated with a view to resolve the financial consumer dispute between myself and

Name of the financial service provider:	
Address of the financial service provider:	

This power of attorney is valid until recalled and applies solely to the above financial dispute.

Dated:, (day) (month) (year)

..... Principal's signature Proxy's signature*
--------------------------------	-----------------------------

Witnesses:

Name:	Name:
Address:	Address:
Mother's maiden name:	Mother's maiden name:

Signature*:	Signature*:
-------------	-------------

** I hereby acknowledge that my personal data provided in this request may be managed by the Financial Arbitration Board in the procedure launched on the basis of this request for the necessary period and to the extent necessary for conducting the procedure, and that such data may be transferred to third parties if required by law.*

Furthermore, I acknowledge that if the person involved is of the opinion that the processing of data violated the statutory regulations, such person may initiate a procedure with the internal data protection officer of the Hungarian National Bank or may take legal action. In addition, anyone may request an investigation by reporting to the National Authority for Data Protection and Freedom of Information on the grounds that there has been a violation concerning the exercise of rights relating to the processing of personal information, or there is a direct risk of such a violation.



Interactive Brokers Central Europe Zrt.

ANNOUCEMENT

Annex 7 to the GBR:

The list of outsourced activities and the person performing them

Valid from: 1 February 2021

Referring to Act CXXXVIII of 2007 on Investment Firms and Commodity Dealers, and on the Regulations Governing their Activities (Bsz.) we notify our Customers on the following.

Interactive Brokers Central Europe Zrt. has entered into an outsourcing agreement with external service providers within the IB group for the following services:

1. Online customer support and via telephone, complaint handling; implement, manage and monitor trade and cashing surveillance and alert monitoring system to filter out customers and suspicious transactions with risk for money laundering and terrorist financing regulatory compliance reports; software development, IT system operation related tasks, ensuring the availability of a real-time trading system; oversight of risk monitoring systems (oversight of position liquidation, setting of hedging rules, closing of short positions, monitoring of negative equity, preparation of market risk exposure statistics and risk reports); monitoring the communication process of the execution venue; assist in front office sales force workflow, customer acquisition and support of client onboarding process are performed by **IB LLC** (headquarters: One Pickwick Plaza, Greenwich, CT 06830 USA).
2. Accounting services and financial reporting; processing and payment of incoming invoices; client onboarding support services; support for internally developed and IB licensed software, enterprise software license management and technical support; providing IT infrastructure, device maintenance, data backup and IT security tasks, including electronic mail security service; IT system monitoring and system development activities are performed by **IBG LLC** (headquarters: One Pickwick Plaza, Greenwich, CT 06830 USA)
3. Online customer support and via telephone; monitoring the communication process of the execution venues; activities related to the oversight of risk monitoring systems (position liquidation oversight, hedging rule setting, risk reporting) are performed by **Interactive Brokers Hong Kong Limited** (headquarters: Suite 1512, Two Pacific Place, 88 Queensway, Admiralty, Hong Kong SAR).
4. Performing human resources and organizational strategy, management, administrative and support tasks; treasury services, supervision of cash management activities related to banks and clearing entities accounts, reconciliation of accounts on a daily basis; overseeing liquidity and funding management; online customer support and via telephone, providing 24-hour customer service; IT systems operation and software development tasks; oversight of risk monitoring systems; monitoring the communication process of the execution venues; assist in front office sales force workflow, customer acquisition and support of client onboarding process are performed by **IBKR Financial Services AG** (headquarters: Gotthardstrasse 3, 6300, Zug, Switzerland)
5. Provide legal support required for the provisions of services to clients, advice regarding data protection obligations and carrying out the Data Protection Officer function; operation of trade surveillance system, investigation and escalation of system alerts; providing periodic enhanced customer due diligence to existing customers; preparation of MIFIR and EMIR reports; assist in front office sales force workflow, customer acquisition and support of client onboarding process are account opening process is supported performed by **Interactive Brokers (U.K.) Limited** (headquarters: Level 20 Heron Tower, 110 Bishopsgate, London EC2N 4AY).



Interactive Brokers Central Europe Zrt.

ANNOUCEMENT

Annex 8 to the GBR:

The list of Intermediaries

Valid from: 11 January 2021

Interactive Brokers Central Europe Zrt. does not use intermediary services in connection with its investment services provided.