INTERACTIVE BROKERS IRELAND LIMITED

RISK DISCLOSURE AND INFORMATION STATEMENT FOR RETAIL CLIENTS DOMICILED IN GERMANY

THIS STATEMENT APPLIES IF YOU ENTER INTO A FUTURES TRANSACTION AND YOU ARE A RETAIL CLIENT DOMICILED IN GERMANY ("**GERMAN RETAIL CLIENT**.")

Schedule 5 of the Customer Agreement sets out specific provisions that apply to German Retail Clients with permission to trade futures. For your convenience, this Statement sets out information on those provisions, including some of the risks arising for Germany Retail Clients when trading futures. This Statement is provided for information purposes only and does not amend or supersede the express terms of any Transaction, Agreement, Collateral Arrangement or any rights or obligations you may have under applicable law, create any rights or obligations, or otherwise affect your or our liabilities and obligations. This Statement is not intended to be, and should not be relied upon as legal, financial, tax, accounting or other advice.

If you are a German Retail Client but would like to apply to be treated as a Professional Client, you will find further information at the following link: https://www.interactivebrokers.com/lib/cstools/faq/#/content/35798873.

1. **INTRODUCTION**
    a. You have received this Information Statement because you have applied for permission to enter Futures Transactions and you are a German Retail Client.

    b. The Federal Financial Supervisory Authority (BAFIN) has adopted a General Administrative Act – Product Intervention Regarding Futures, which prohibits the marketing, distribution or sale of futures with additional payment obligations to German Retail Clients.

    c. Schedule 5 of the Customer Agreement contractually excludes the application of an Additional Payment Obligation to losses experienced by a German Retail Client that are attributable to the Client's Futures Transactions. This means that the Client's aggregate liability for all Futures Transactions is limited to the funds the Client has deposited with IBIE for futures trading.

    d. IBIE treats the following as funds deposited with IBIE for Futures trading:
        i. any cash in your account necessary to meet the initial margin requirement for a futures transaction when you enter that transaction, and

        ii. the unrealised net profits from your open futures positions.

    e. You may also elect to authorise IBIE to treat all "Free Cash" in your account (namely, cash that does not support margin requirements for other assets) as funds deposited with IBIE for Futures trading (the "**Authorisation**").

2. **RISKS AND CONSEQUENCES**
    a. The exclusion of an Additional Payment Obligation (the "**Exclusion**") applies to liabilities arising from your Futures Transactions irrespective of whether you entered those transactions for speculative or for hedging purposes.

    b. The Exclusion does not apply to liabilities arising from:
        i. any costs and charges you have incurred in connection with Futures Transactions.

        ii. Futures Transactions entered to settle or close out existing (open) futures positions in your account that you entered before 1 January 2023.

c. The Exclusion does not apply to liabilities arising from trading in other types of financial instruments, subject to applicable laws. This means that IBIE may have recourse to all the assets held in your account to discharge those liabilities, including your open futures positions as well as to your other assets, in accordance with the terms of the Customer Agreement.

d. If you have given the Authorisation you should be aware that:

    i. IBIE may have recourse to all the Free Cash in your account to meet any liabilities arising from your Futures Transactions in addition to the unrealised net profits from your open Futures positions, and

    ii. The losses you incur in connection with your Futures Transactions may be greater than they would otherwise have been had you not given your Authorisation.

e. The Exclusion impacts on the way Margin Requirements apply to Futures Transactions.

    i. To meet initial Margin Requirements, you will only be able to use the cash that you hold in your account and the unrealised net profits from your open futures positions. You will not be able to use your unrealised profits from any other equity positions. If you do not have sufficient funds to meet initial Margin Requirements, you will not be able to enter the Futures Transaction.

    ii. The way in which you meet variation Margin Requirements will differ depending on whether you have signed the Authorisation.

    If you HAVE NOT given the Authorisation, IBIE will only take into account the funds you have allocated to meet your initial Margin Requirements as well as any additional unrealized net profits from your Futures trades to determine if you meet your variation Margin Requirements. If these Funds are not sufficient to meet variation Margin Requirements, you will not be able to add additional funds and IBIE may exercise any rights it has, including the right to liquidate Futures positions in your account, at its sole discretion and without notice.

    If you HAVE given the Authorisation, IBIE will take into account all the Free Cash in your account as well as any additional unrealised net profits from your Futures trades to determine if you meet your variation Margin Requirements. You will also be able to add additional cash to your account to meet your variation Margin Requirements

f. IF AT ANY TIME YOU HAVE INSUFFICENT FUNDS DEPOSITED FOR FUTURES TRADIING, IBIE MAY EXERCISE ANY OF ITS RIGHTS INCLUDING THE RIGHT TO LIQUIDATE THE FUTURES POSITIONS IN YOUR ACCOUNT, AT IBIE'S SOLE DISCRETION. AND WITHOUT NOTICE AS SET OUT IN THE CUSTOMER AGREEMENT

g. To offset the increased risk associated with the exclusion of an additional payment obligation, IBIE will apply bespoke margin rates to German Retail Clients which are available on IBIE's website. IBIE may change or increase its Margin Requirements at any time.