



Securities Account Protection FAQs

- How is the “per client” coverage applied if I maintain multiple accounts with IB?
- How does the aggregate loss limit affect the protection of my account?

How is the “per client” coverage applied if I maintain multiple accounts with IB?

Multiple accounts maintained in the same name and taxpayer ID number are grouped for purposes of applying the maximum per client protection limits of \$500,000 by SIPC and \$29.5 million under Lloyd’s supplementary protection. However, if you hold accounts with IB in separate capacities (for example, an account in your name, a trust account of which you are the trustee or a beneficiary, or a joint account), then each account would be protected by SIPC and the supplementary protection up to the stated limits.

How does the aggregate loss limit affect the protection of my account?

IB’s supplementary protection from Lloyd’s of London is subject to an aggregate loss limit of \$150 million. This is the maximum amount available to cover IB’s customers in excess of SIPC protection. In the unlikely event of a financial failure of the firm coupled with client assets not being fully recovered, SIPC (or a trustee appointed by the federal courts) would advance funds to each eligible client (for more details visit <http://www.SIPC.org>). Because most accounts maintain less than \$500,000 in net equity, SIPC protection would cover the large majority of customer assets held by IB. In the extremely unlikely event of a total loss of customer assets, the supplementary protection would be needed to cover a relatively small portion of the total net customer equity held by IB. Although possible, it is improbable that the aggregate loss limit would be reached. However, if the supplementary protection fell short of covering all customer assets, the coverage would be allocated on a pro rata basis to the client accounts that required protection.

