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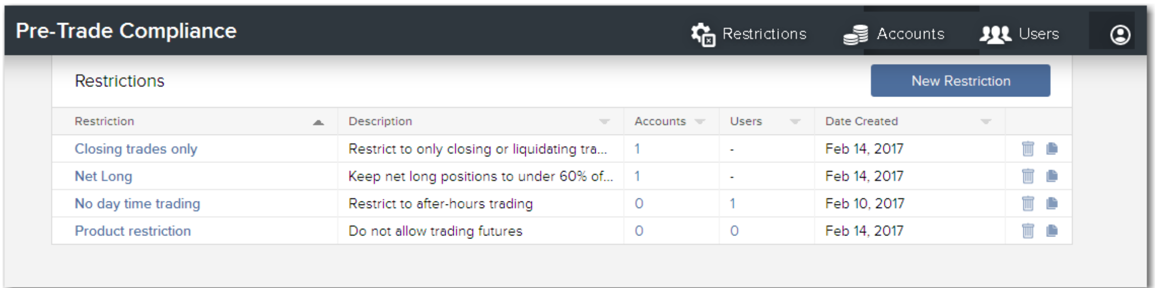
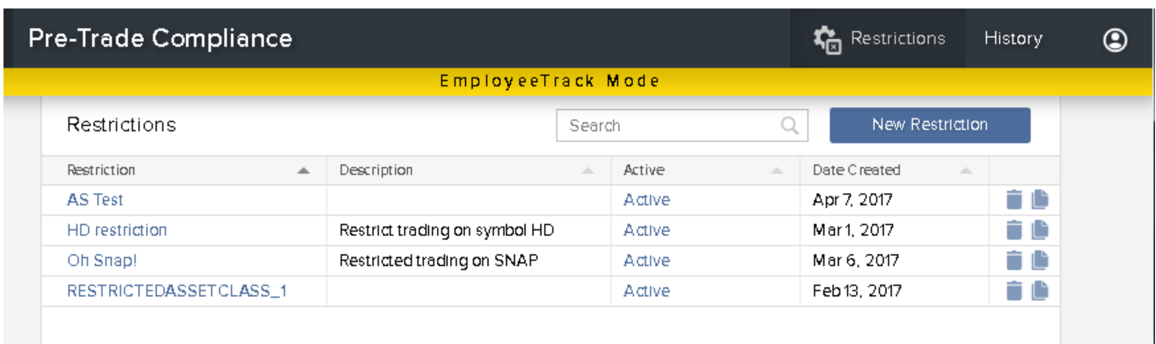
Using the Pre-Trade Compliance Tool

Use the Pre-Trade Compliance tool to apply trade-related restrictions to an account or user,all of your employees.or to an entire account family, including all client/sub-accounts. Restrictions applied by the Master user at the family level are inherited by all current *and all future* client and sub-accounts.





Common Tasks

- Open the Pre-Trade Compliance tool
- Create a Restriction
- Apply a restriction to an account or user.

Who can access the Pre-Trade Compliance Tool?

You can use this tool if you are a(n):

- Advisor Master User
- Proprietary Trading Group Master User
- Broker Master User
- Investment Manager Master User
- Single Hedge Funds
- EmployeeTrack Compliance Officer

Open the Pre-Trade Compliance Tool

Open the Pre-Trade Compliance tool from within Account Management.

To open Pre-Trade Compliance

1. Log into Account Management
2. From the **Manage Account Employees** menu, select *Trade Configuration* and then select *Trading Restrictions*.

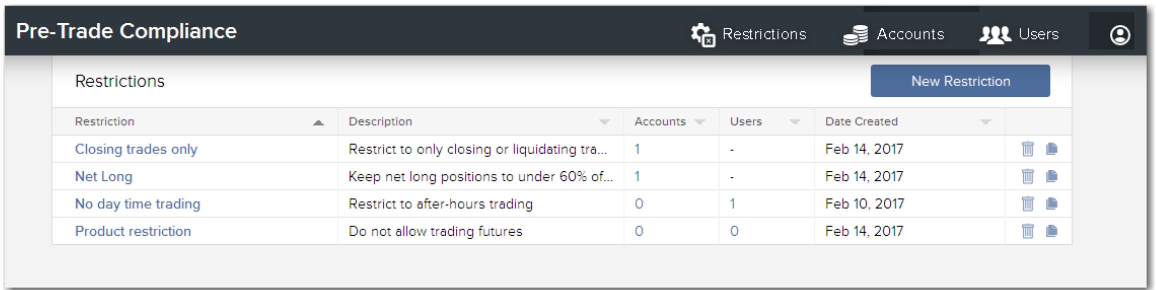
   You can also access this feature via the Manage Clients/Funds/Traders menu by selecting Trading and then Restrictions.

3. Click "Launch Pre-Trade Compliance."

If you don't see the Restrictions command in the Trade Configuration menu, this means that you are not eligible to set restrictions.

Manage Restrictions

The Pre-Trade Compliance tool is designed to create, store and then apply trade-related restrictions to accounts or users. Restrictions are created using one or multiple “rules,” and reside in the Restrictions Library.



Restrictions can be applied individually to accounts or users, or at the global level as “Family” restrictions that are inherited by all sub-accounts, both current and future.

Restrictions at the account level are applied simultaneously with those that are inherited. If two restrictions overlap, they are “netted.” For example, if an account level restriction called "Limited Hours" dictates trading hours between 10:00 am and 1:00 pm, and an inherited family restriction called "Restricted Hours" limits trading hours from 11:00 am to 3:00 pm, that account will have restricted trading hours that run from 10:00 am to 3:00 pm.

See the history of a restriction by selecting the restriction in the **Restrictions Library** and then selecting *History* in the upper right corner of the Settings page.

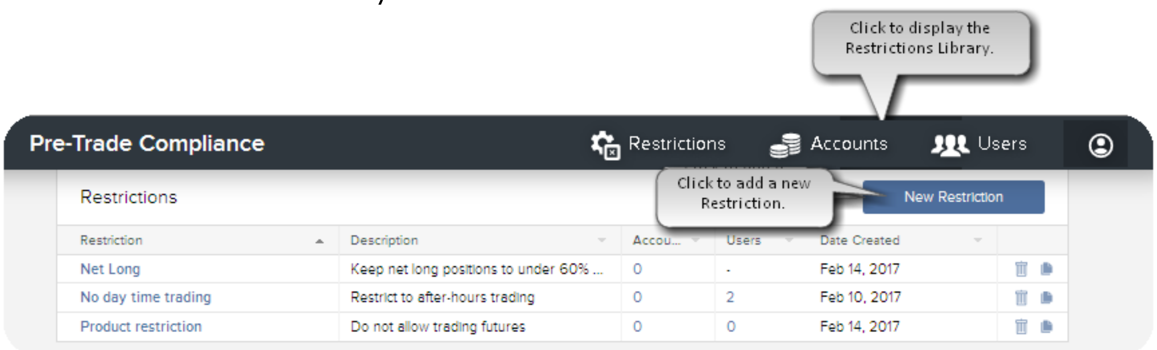
Create a Restriction

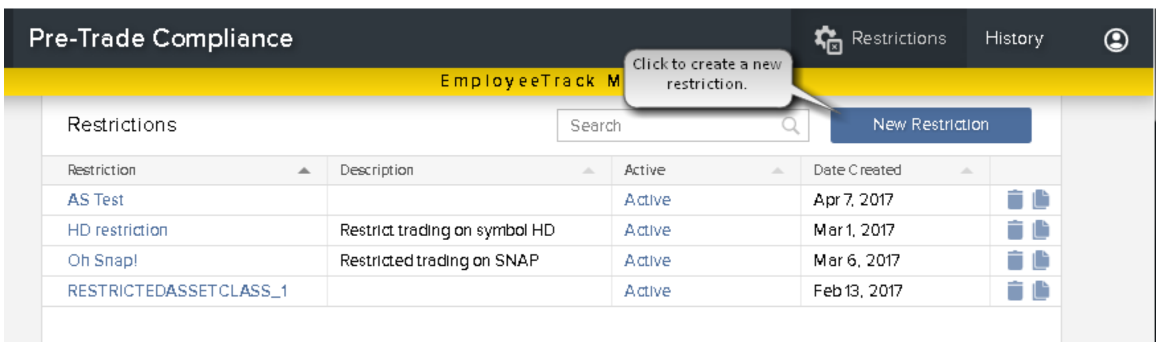
Restrictions are composed of one or more rules, and each rule specifies some kind of threshold or boundary that will trigger an order rejection when breached. If a restriction includes multiple rules, violation of any rule will result in the order being rejected.

To create a restriction

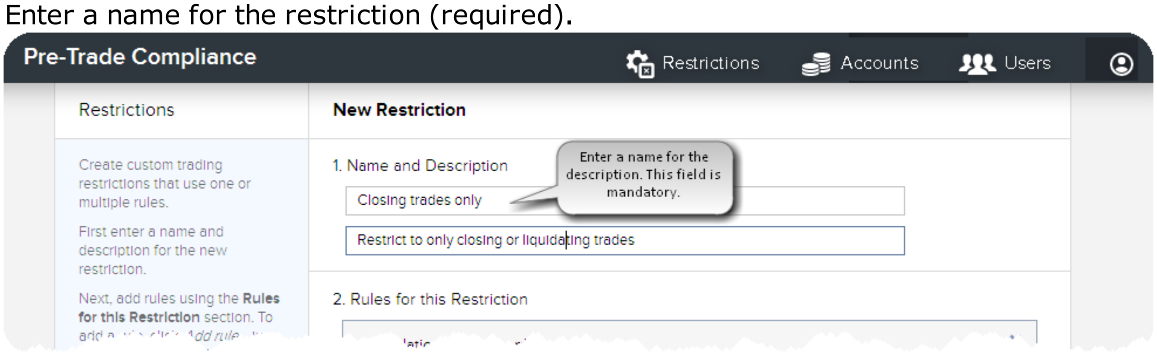
1. In the main menu click Restrictions to open the **Restrictions Library**.

2. From the Restrictions Library click *New Restriction*.



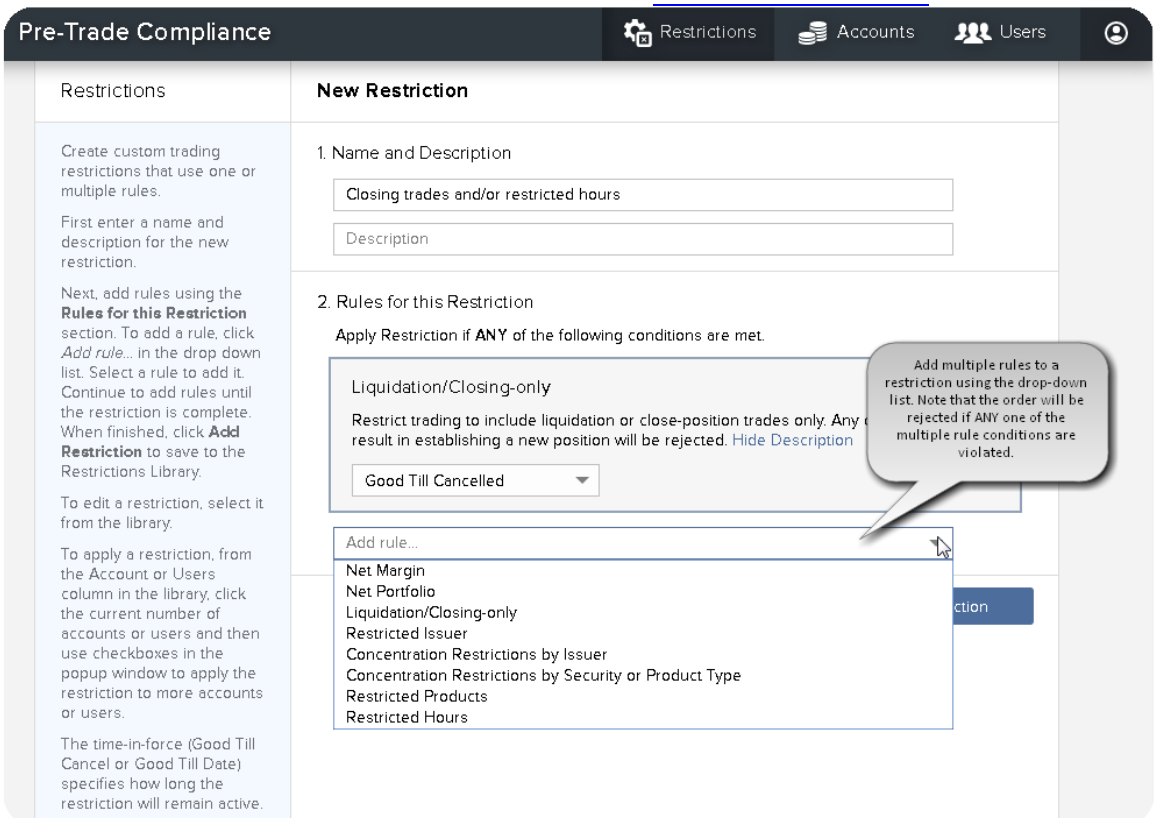


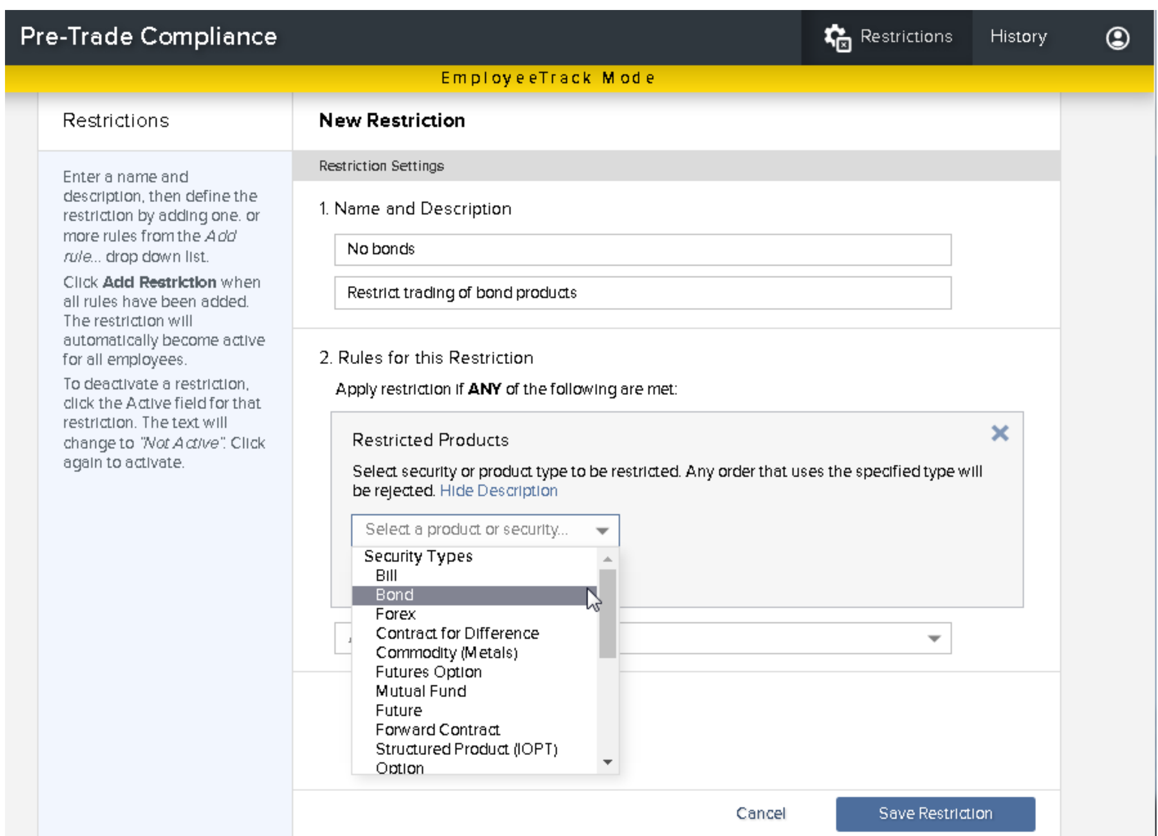
3. Enter a name for the restriction (required).



4. Enter a description (optional).

5. Add one or more rules to the restriction. See the [list of available rules](#).

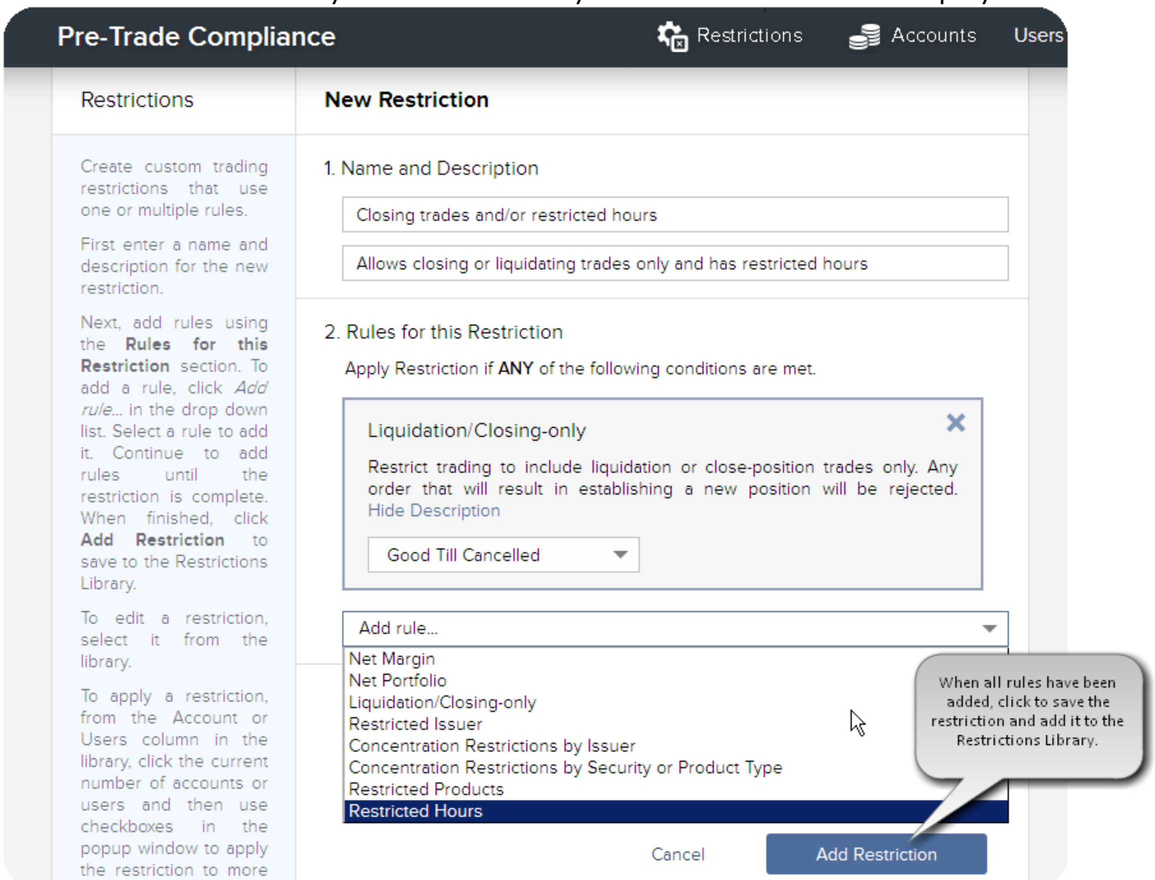




a. Select *Add rule…* and choose a rule.

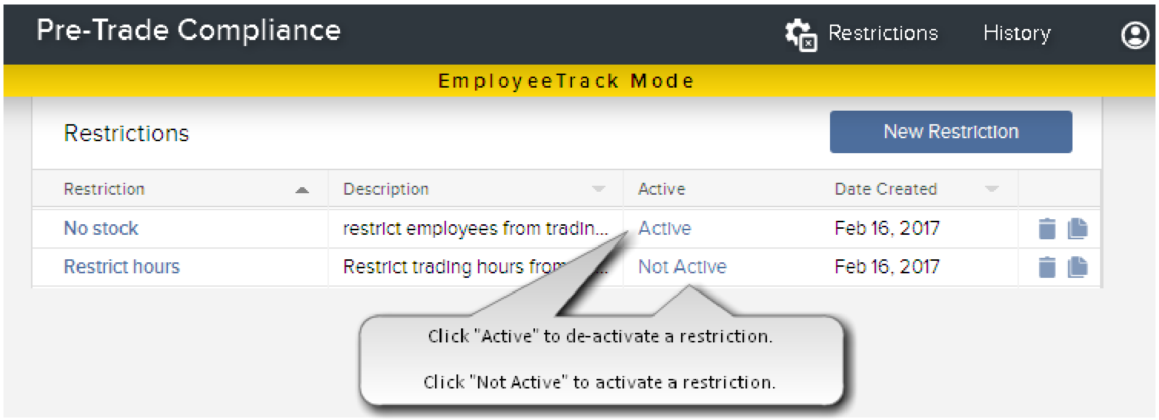
b. Specify parameters.

6. When you have added all rules, click **Save Restriction**. The restriction is saved to the Restrictions Library and automatically becomes active for all employees.



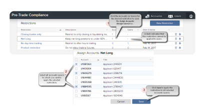
Apply Activate and Deactivate a Restriction

You can apply restrictions per account at the account level, or to all sub-accounts at the Family level. Restrictions applied at the Family level are inherited by all current and future sub-accounts. New restrictions are applied automatically to all employees. They are tagged as "Active" in the Restrictions Library.

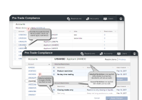


To deactivate a restriction, simply click the **Active** field for that restriction and Save. The restriction will now be tagged as "Not Active." Click again to activate.

To delete a restriction, click the **Delete** icon at the end of the restriction line.

Apply a Restriction using the Restrictions Library 

1. Open the Restrictions Library by clicking **Restrictions** from the top menu.
2. From the table, find the restriction you want to apply.
3. Apply to accounts (or users) by clicking the **Accounts** (or **Users)** column for that restriction.
4. In the *Assign Accounts* (or *Assign Users)* list, select those to which you want to apply the restriction.
5. Save.

Apply Restrictions from the Accounts list 

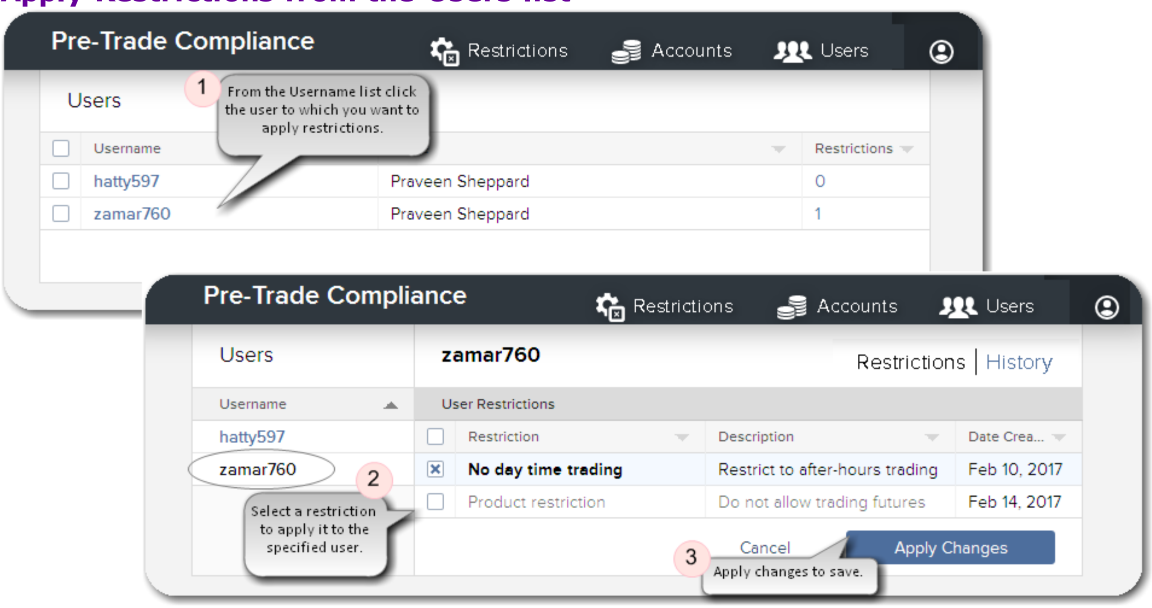
1. From the main menu select **Accounts.**
2. From the table, select the account to which you want to apply a restriction.

3. In the table of **Account Restrictions**, select the restriction(s) you want to apply to the selected account.

> **The list of Inherited Restrictions shows the family restrictions that were applied at the Master account level and have been inherited by this and all other sub-accounts. If a restriction is applied at the family level it will not be available to be applied at the account level (and vice versa).**

4. Apply Changes.

Apply Restrictions from the Users list



Note that some restrictions may not be applicable to users as indicated by a dash in the *Users* column of the **Restrictions Library**.

1. Open the Users list by clicking **Users** from the top menu.
2. From the table, click the user to which you want to apply a restriction.
3. In the list of User Restrictions, select the restrictions you want to apply to the selected user.
4. Apply Changes.

Edit or Delete a Restriction

Edit a restriction by adding, removing or modifying the restriction's rules.

To edit a restriction

1. From the main menu select Restrictions to open the **Restrictions Library**.
2. Select the restriction you want to edit.
3. Modify restriction settings, including changing the name or description, and adding, editing and removing rules.
4. Click *Save Restriction*.

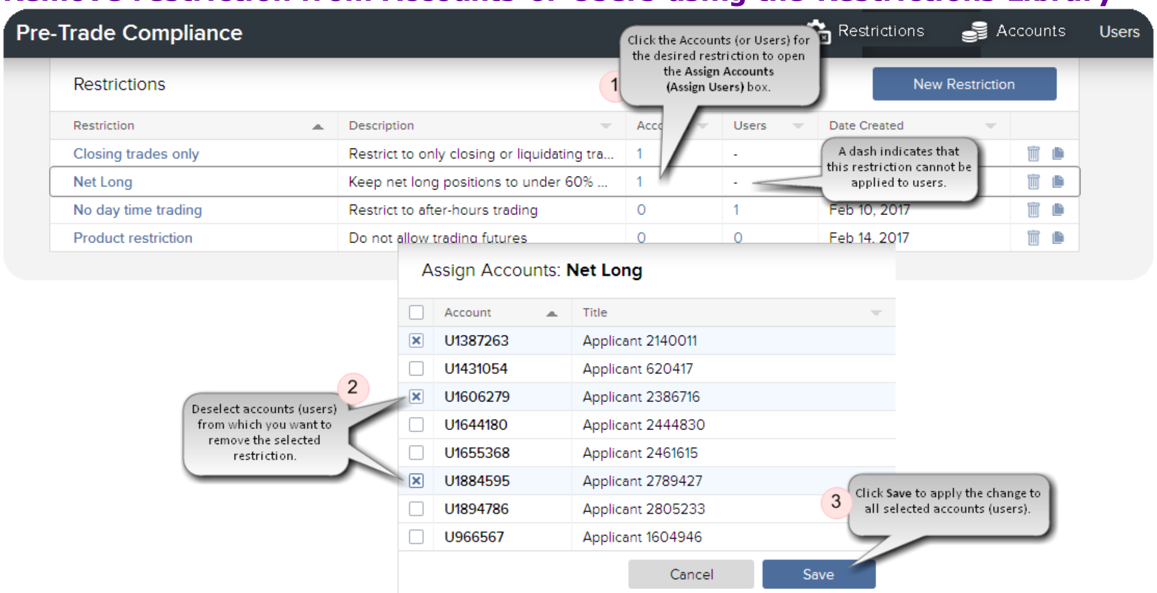
Alternatively, click **Delete Restriction** to remove it.

Remove Restrictions

When you remove a restriction from an account or user, it remains available in the Restrictions Library and can be re-applied at any time.

When you remove an inherited restriction from an account, it will no longer be inherited by this account or any other current or future sub-accounts. You can re-apply the restriction at any time.

Remove restriction from Accounts or Users using the Restrictions Library



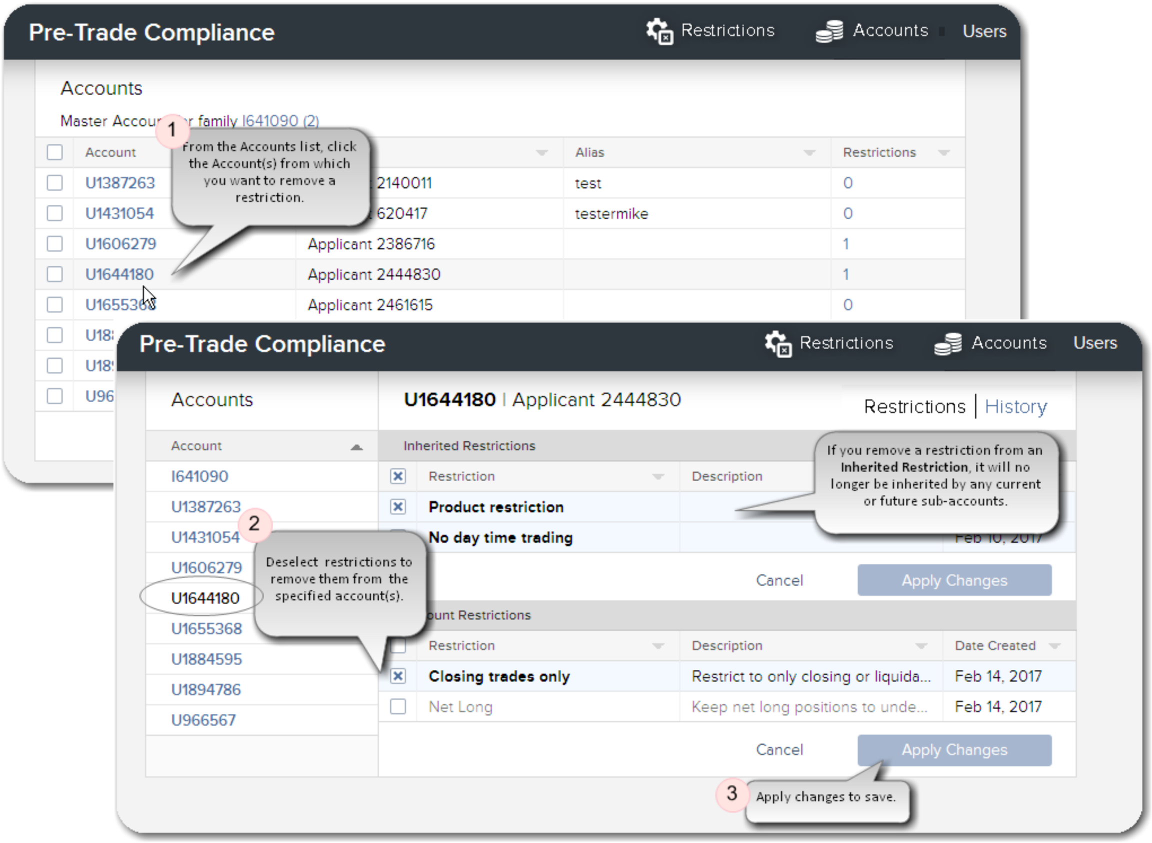
1. Open the Restrictions Library by clicking **Restrictions** from the top menu.

2. Within the table, find the restriction you want to remove and click the **Accounts** column for that restriction.

3. In the displayed list of accounts, deselect the account(s) from which you want to remove the restriction.

4. Save.

Remove restriction from an account using the Accounts list



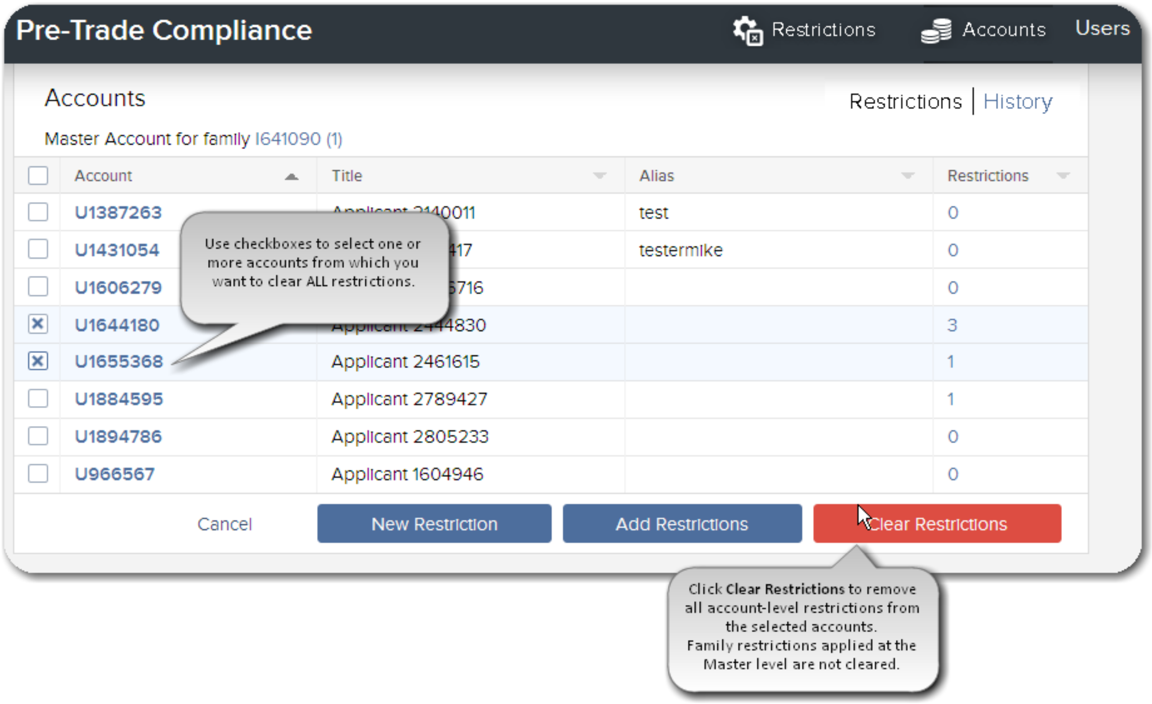
1. Open the Accounts list by clicking **Accounts** from the top menu.

2. Within the table, click the account from which you want to remove a restriction.

3. In the list of Account Restrictions, deselect the restriction(s) you want to remove from the selected account.

4. Apply Changes.

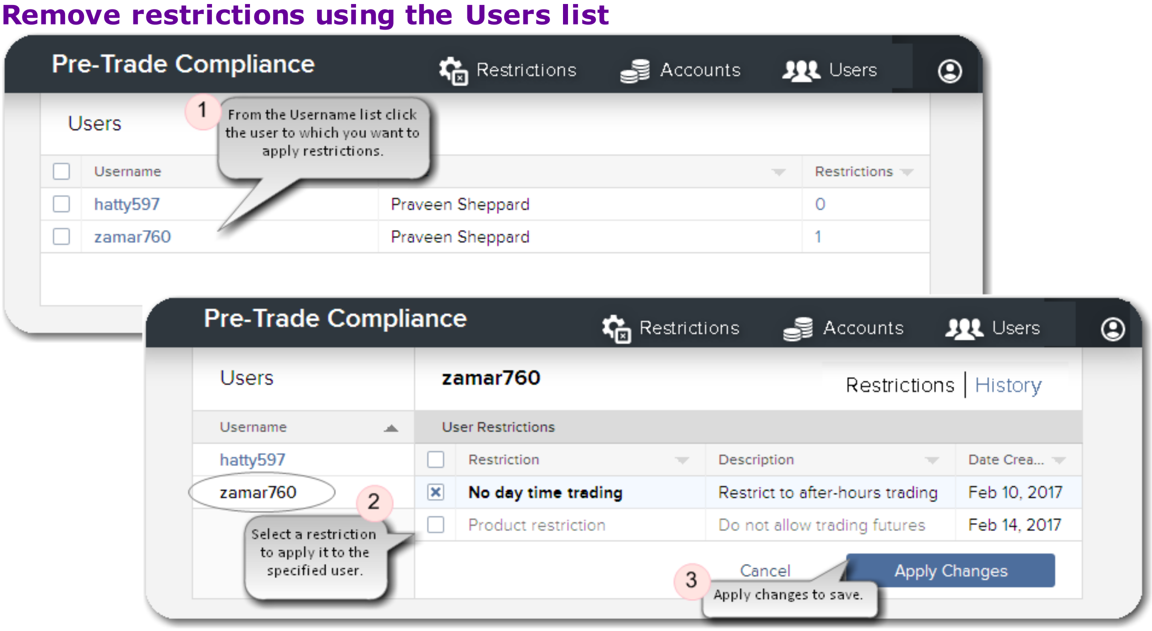
Clear all restrictions from one or multiple accounts using the Accounts list



This allows you to clear all account-level restrictions from one or more accounts. Inherited restrictions will not be removed with the "Clear" feature.

1. Open the Accounts list by clicking **Accounts** from the top menu.
2. Within the table, use the check boxes to select accounts from which you want to remove all restrictions.
3. Click *Clear Restrictions* to remove all restrictions from the selected accounts.

Remove restrictions using the Users list



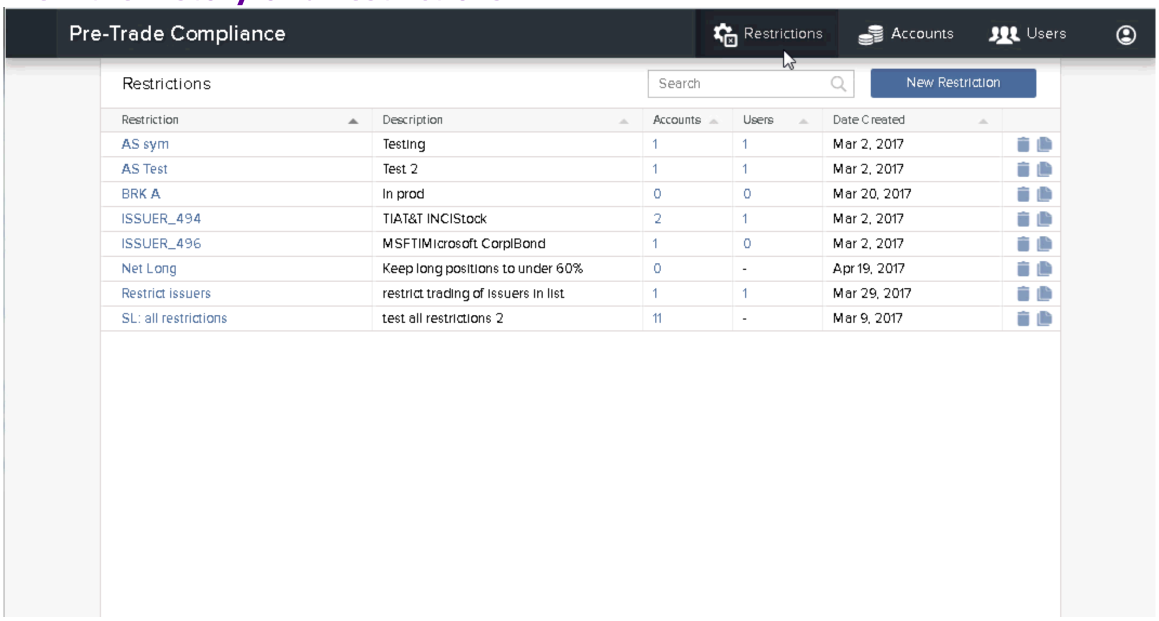
1. Open the Users list by clicking **Users** from the top menu.
2. Within the table, click the user from which you want to remove a restriction.
3. In the list of **User Restrictions**, deselect the restriction(s) you want to remove for the selected user.
4. Apply Changes.

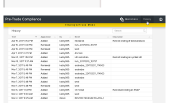
You can delete restrictions from the Restrictions Library by clicking the "Delete" icon for a specific restriction.

Restrictions History

Click the **History** link from the Restrictions Library, Accounts or Users page to see the history of aall specific restrictions, (including the date and time created, when rules were added and more). or of the relationship history between restrictions and a selected account/user (i.e. if and when the restriction was applied to or removed from an account or user).

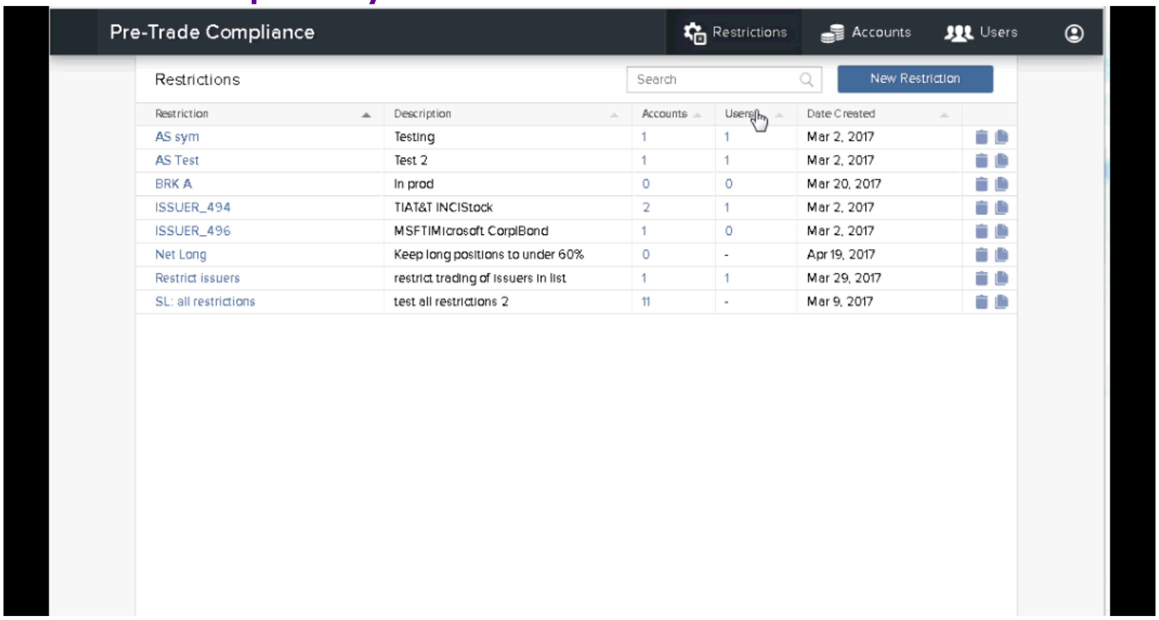
View the history of a restrictions





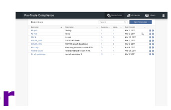
1. From the main menu select **RestrictionsHistory**.
2. Choose a restriction for which you want to see the history.
3. In the upper right corner of the **Restriction Setting** page, click *History*.
4. Scroll down as needed to see the full history of theall selected restrictions.

View relationship history between restrictions and account



1. From the main menu select **Accounts**.
2. From the list of sub-accounts on the left side of the page, select the account for which you want to see the restrictions relationship history.
3. In the upper right corner of the **Account** page, click *History*.
4. Scroll down as needed to see the full history of when restrictions were added to or removed from the selected account.

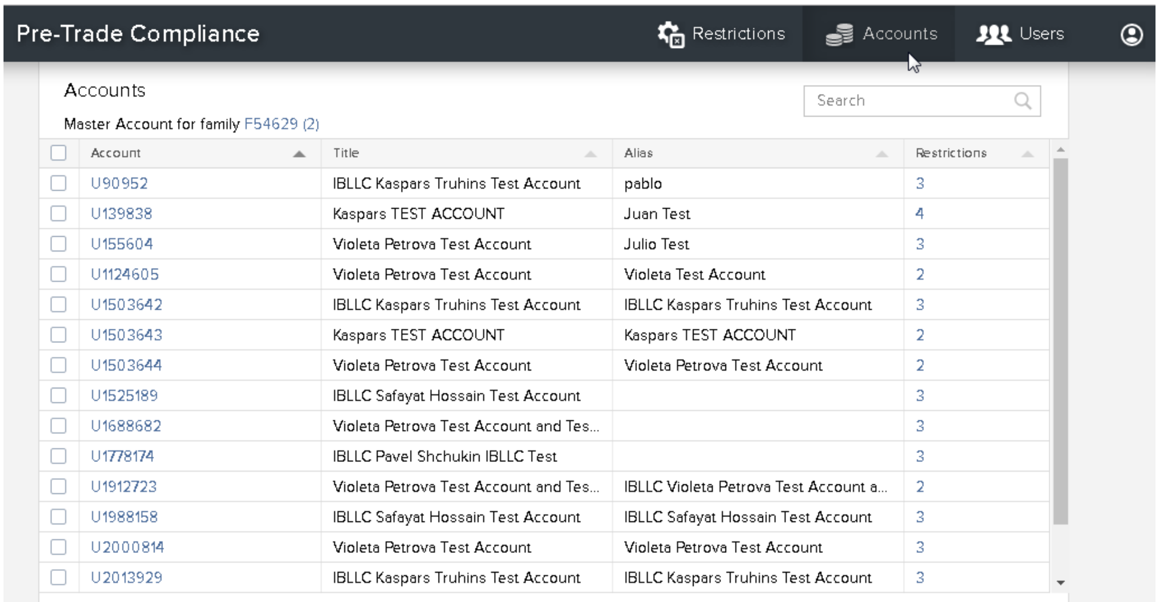
View relationship history between restrictions and user



1. From the main menu select **Users**.
2. In the Username column select the user for which you want to see the restrictions relationship history.
3. In the upper right corner of the Users page, click History.
4. Scroll down as needed to see the full history of when restrictions where added to or removed from the user.

Manage Accounts

Select "Accounts" from the menu to view the list of sub-accounts for the named Master Account. Drill down further on a single sub-account to see current inherited and account-level restrictions that are applied, and to view the relationship history of all associated restrictions to the account.



Account	Title	Alias	Restrictions
U90952	IBLLC Kaspars Truhins Test Account	pablo	3
U139838	Kaspars TEST ACCOUNT	Juan Test	4
U155604	Violeta Petrova Test Account	Julio Test	3
U1124605	Violeta Petrova Test Account	Violeta Test Account	2
U1503642	IBLLC Kaspars Truhins Test Account	IBLLC Kaspars Truhins Test Account	3
U1503643	Kaspars TEST ACCOUNT	Kaspars TEST ACCOUNT	2
U1503644	Violeta Petrova Test Account	Violeta Petrova Test Account	2
U1525189	IBLLC Safayat Hossain Test Account		3
U1688682	Violeta Petrova Test Account and Tes...		3
U1778174	IBLLC Pavel Shchukin IBLLC Test		3
U1912723	Violeta Petrova Test Account and Tes...	IBLLC Violeta Petrova Test Account a...	2
U1988158	IBLLC Safayat Hossain Test Account	IBLLC Safayat Hossain Test Account	3
U2000814	Violeta Petrova Test Account	Violeta Petrova Test Account	3
U2013929	IBLLC Kaspars Truhins Test Account	IBLLC Kaspars Truhins Test Account	3

Common Tasks

- View restrictions on an account.
- Apply or remove a restriction from an account.
- Apply a restriction to multiple accounts.
- See the history of restrictions added to and removed from an account.

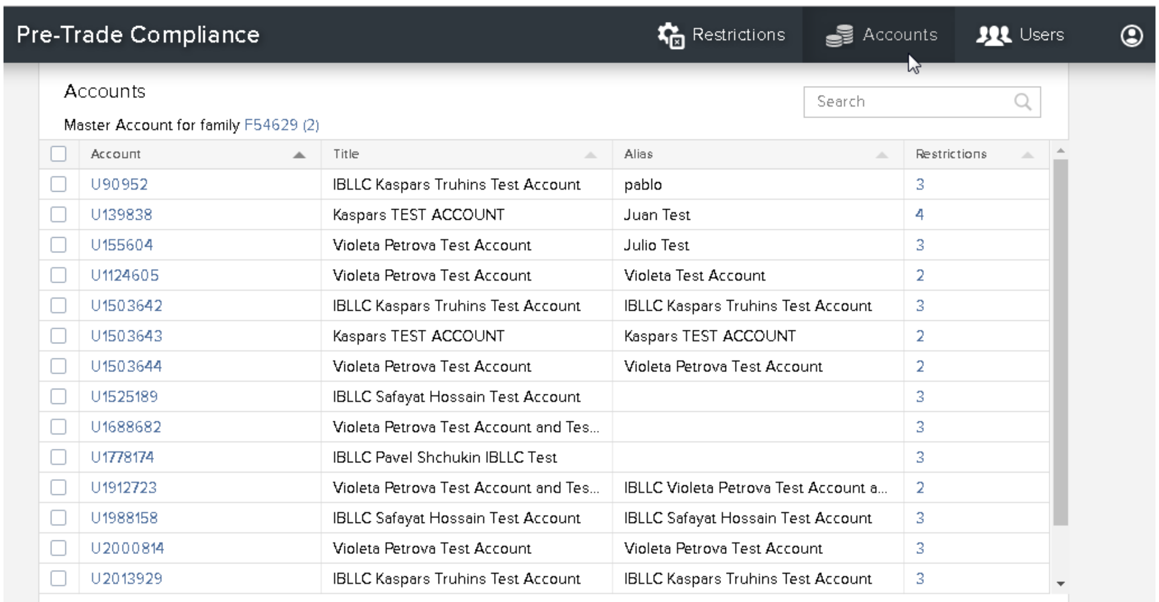
Accounts Page - Restrictions

You can select an account and apply or remove restrictions for that account, and see the Restrictions history for that account.

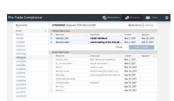
To access account information

1. From the main menu select **Accounts**.

The Accounts page shows a table of all sub-accounts, with the Master Account at the top along with the current number of family inherited restrictions that have been applied to all sub-accounts in the family.



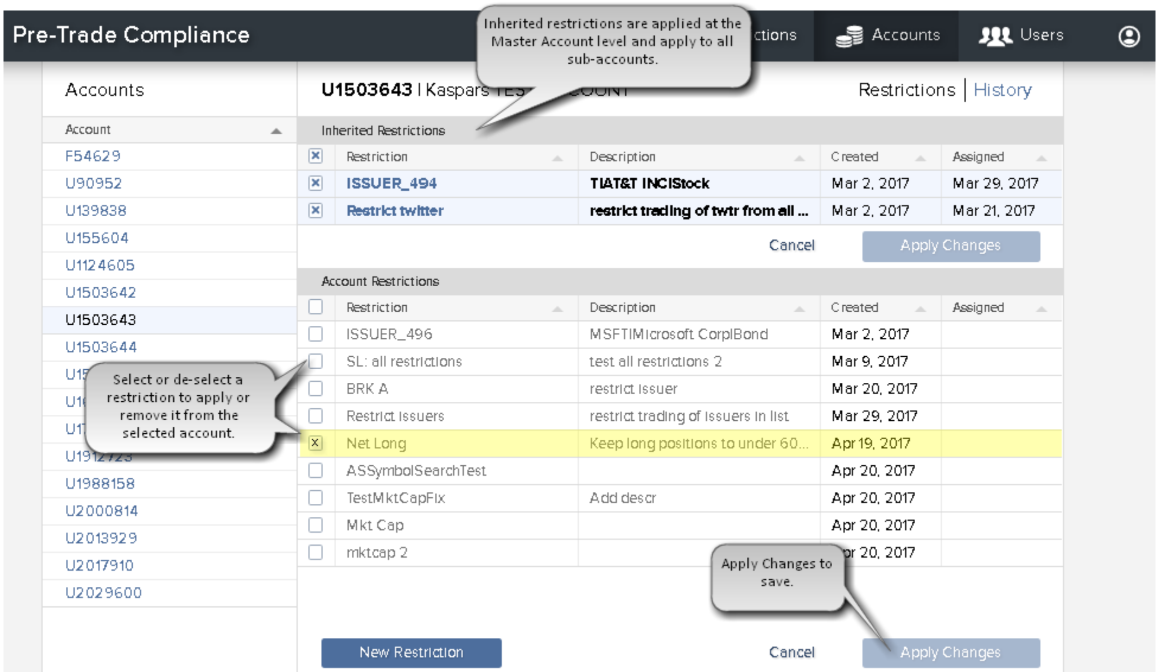
The table of sub-accounts lists the account number, full account title, account alias and the number of restrictions currently applied, either at the family level (where it's applied at the Master Account level and inherited by all sub-accounts) or at the account level.

To view restrictions on an account 

1. Click the sub-account number in the Account column of the table, or click the Restrictions number in the last column.

2. See Inherited Restrictions in the top section of the table, and account-level restrictions in the bottom section.

To apply or remove a restriction from an account



1. Click the sub-account number in the Account column of the table, or click the Restrictions number in the last column.

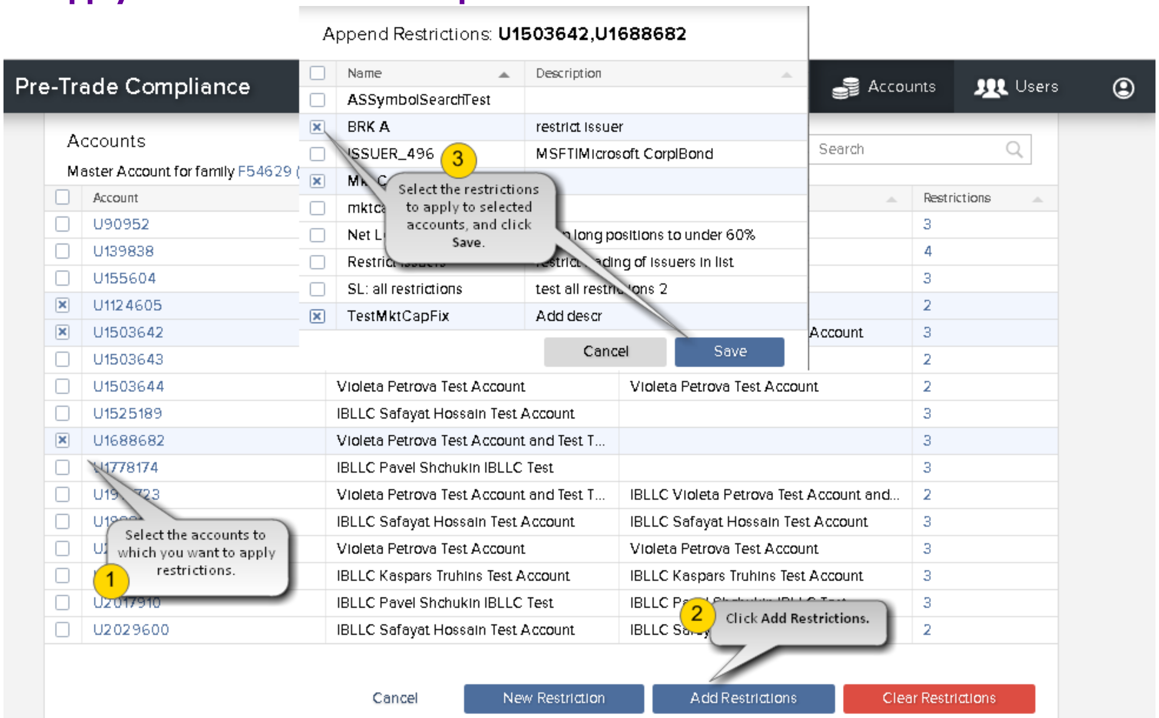
2. See Inherited Restrictions in the top section of the table, and account-level restrictions in the bottom section.

3. Apply a restriction by putting an "x" in the check box by selecting it. Remove a restriction by clicking the "x" in a check box to remove it.

4. Click **Apply Changes**.

> **If you remove an inherited restriction, it will no longer apply to the selected account or to any new sub-accounts. It will still apply to all other current sub-accounts.**

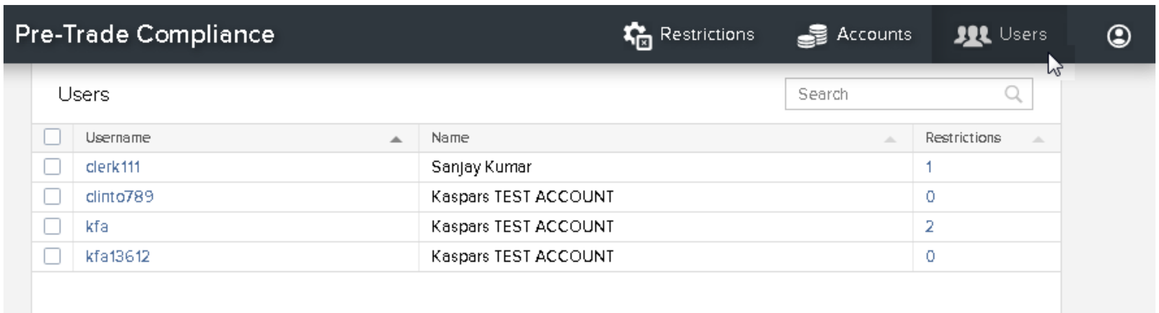
To apply a restriction to multiple accounts



1. Check all of the sub-accounts to which you want to apply restrictions.
2. Click **Add Restrictions**.
3. In the Append Restrictions box, select all of the restrictions you want to apply to the selected account (shown along the top of the box).
4. Click **Save**.

Manage Users

Select "Users" from the menu to view the list of users who have permissions to log into Account Management and make changes to restrictions. Drill down further on a single user to see current restrictions, and to view the history of all associated restrictions.



Common Tasks

- View restrictions applied to a user.
- Apply or remove a restriction from a user.
- Apply a restriction to multiple users.
- See the history of restrictions added to and removed from a user.

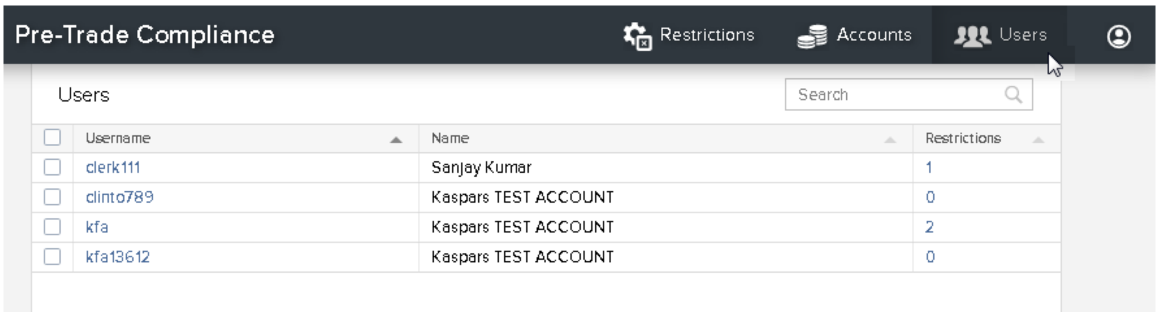
Users Page - Restrictions

You can select a user and apply or remove restrictions for that user, and see the Restrictions history for that user.

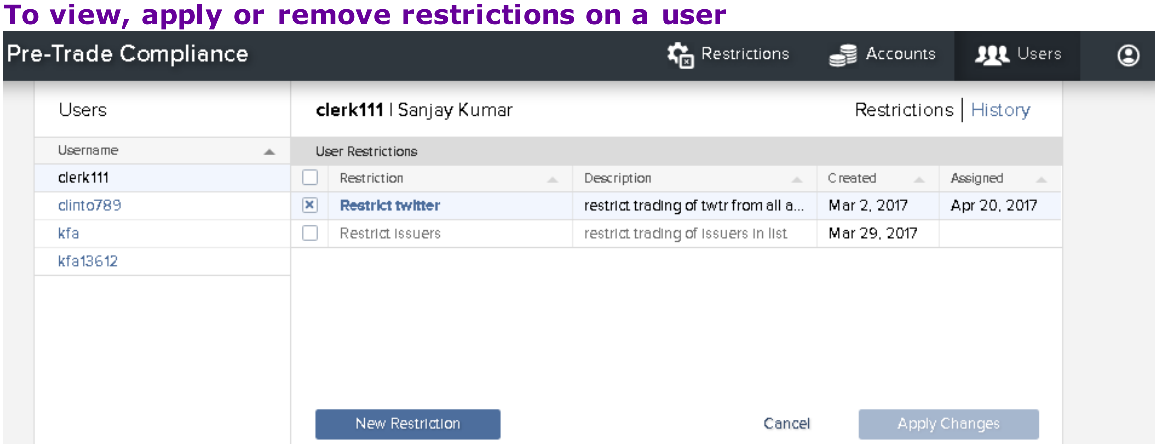
To access user information

1. From the main menu select **Users**.

The Users page shows a table of all users who have permissions to trade the account.



To view, apply or remove restrictions on a user

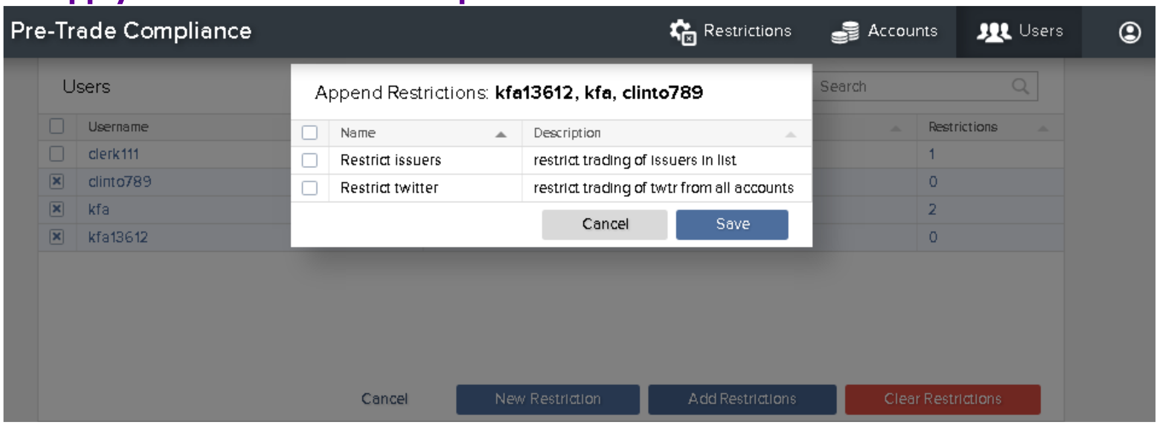


1. Click the username, or click the Restrictions number in the last column. All valid restrictions are displayed, with active restrictions showing an "x" in the check box.

2. To apply a restriction, select to put an "x" in the check box.

3. To remove a restriction, click the "x" in a check box to remove the restriction.

To apply a restriction to multiple users



1. Check to select the users to which you want to apply restrictions.
2. Click **Add Restrictions**.
3. In the Append Restrictions box, select all of the restrictions you want to apply to the selected users (shown along the top of the box).
4. Click **Save**.

Restriction Rules

Each rule presents metrics and settings used to define the threshold at which an order will be rejected. If a restriction includes multiple rules, violation of any rule will result in the order being rejected. The associated time in force specifies how long the restriction will remain active. Add rules in the second step of creating a restriction. You can add the following rules to a restriction:

Net Margin

Choose to set a threshold for Excess Liquidity or Margin (via the Margin Cushion metric). Any order that would cause the selected metric to fall below the specified threshold will be rejected.

Net Portfolio

Enter a net amount or percentage limit that will be assessed against all long or all short positions. Any order that would cause the net amount or net percentage of all positions (either Long or all Short) to exceed the specified threshold will be rejected. The associated time in force specifies how long the restriction will remain active.

Liquidation/Closing Only

Restricts trades to either liquidating or position-closing trades only. Any order that would result in a new position being created will be rejected. The associated time in force specifies how long the restriction will remain active.

Restricted Issuer

Restrict trades on the issuer of a symbol. If you select a stock or index, all of its derivatives are also restricted (options, futures, etc). For bonds, the ISIN listed may be just one of many matches.

Concentration Restrictions by Issuer

Restricts trades that would result in too high a long or short concentration in a specific symbol. Specify the limiting amount or percentage of concentration. Any order that would cause the long or short position concentration to exceed the specified threshold will be rejected. If you select a stock or index, all of its derivatives are also restricted (options, futures, etc). For bonds, the ISIN listed may be just one of many matches. The associated time in force specifies how long the restriction will remain active.

Concentration Restrictions by Security or Product Type

Restricts trades that would result in too high a long or short concentration in a specific product or security type. Specify the limiting amount or percentage of concentration. Any order that would cause the long or short position concentration to exceed the specified threshold will be rejected. If you select a stock or index, all of its derivatives are also restricted (options, futures, etc). For bonds, the ISIN listed may be just one of many matches. The associated time in force specifies how long the restriction will remain active.

Restricted Products

Restricts trading on a specific security type or product type. Any order that uses the specified type will be rejected. Security types to restrict include: Bills, Bonds, Forex, CFDs, Commodities(Metals), Futures, Futures Options, Mutual Funds, Forwards, Structured Products (IOPT), Options, Stocks and Warrants. Product types to restrict include: Corporate bonds, EFPs, ETFs, Index options, High Yield (Junk) Bonds, Leveraged ETFs, Muni Bonds, Single Stock Options and Uncovered Options.

The associated time in force specifies how long the restriction will remain active.

Restricted Hours

Restricts trades made in a specified time range. Any order placed during restricted hours will be rejected. The associated time in force specifies how long the restriction will remain active

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