

**FINANCIAL INDUSTRY REGULATORY AUTHORITY  
LETTER OF ACCEPTANCE, WAIVER, AND CONSENT  
NO. 2019062038101**

TO: Department of Enforcement  
Financial Industry Regulatory Authority (FINRA)

RE: Interactive Brokers LLC (Respondent)  
Member Firm  
CRD No. 36418

Pursuant to FINRA Rule 9216, Respondent Interactive Brokers LLC submits this Letter of Acceptance, Waiver, and Consent (AWC) for the purpose of proposing a settlement of the alleged rule violations described below. This AWC is submitted on the condition that, if accepted, FINRA will not bring any future actions against Respondent alleging violations based on the same factual findings described in this AWC.

**I.**

**ACCEPTANCE AND CONSENT**

A. Respondent accepts and consents to the following findings by FINRA without admitting or denying them:

**BACKGROUND**

Interactive Brokers has been a FINRA member since 1995. The firm offers online trading through self-directed accounts and clears transactions for retail and institutional customers, as well as for customers introduced to it by foreign and domestic introducing broker-dealers. The firm has approximately 400 registered representatives and 19 branch offices, including its headquarters in Greenwich, Connecticut.<sup>1</sup>

**OVERVIEW**

From at least December 2017 to March 2022, Interactive Brokers failed to provide certain of its customers with a consolidated display containing all required market data elements at the point of order entry on its trading platforms. As a result, the firm violated Rule 603(c) of Regulation National Market System (NMS) under the Securities Exchange Act of 1934 and FINRA Rule 2010.

In addition, from at least December 2017 to December 2022, Interactive Brokers failed to establish, maintain, and enforce a supervisory system, including written supervisory procedures (WSPs), reasonably designed to achieve compliance with Rule 603(c) of Regulation NMS. As a result, the firm violated FINRA Rules 3110 and 2010.

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<sup>1</sup> For more information about the firm, including prior regulatory events, visit BrokerCheck® at [www.finra.org/brokercheck](http://www.finra.org/brokercheck).

For these violations, Interactive Brokers is censured and fined \$150,000.

### **FACTS AND VIOLATIVE CONDUCT**

This matter originated from FINRA’s review of Interactive Brokers’ compliance with Rule 603(c) of Regulation NMS (the Vendor Display Rule).

#### **1. Interactive Brokers failed to provide a consolidated display that complied with the Vendor Display Rule.**

The Vendor Display Rule generally requires broker-dealers to provide a consolidated display of market data for NMS stocks for which they provide quotation information for customers. The consolidated display must include: (1) the prices, sizes, and market identifications of the national best bid and national best offer (NBBO) for a security; and (2) consolidated last sale information for a security, which includes the price, volume, and market identification of the most recent transaction report. The information included in the consolidated display can affect retail investors like Interactive Brokers’ customers. As noted by the SEC in adopting Regulation NMS, “[p]articularly for retail investors, the NBBO continues to retain a great deal of value in assessing the current market for small trades and the quality of execution of such trades.”

Violations of Rule 603(c) of Regulation NMS also constitute violations of FINRA Rule 2010, which requires members, in the conduct of their business, to observe high standards of commercial honor and just and equitable principles of trade.

From at least December 2017 to March 2022, for certain customers, Interactive Brokers did not provide a consolidated display that contained all elements of the market data required by the Vendor Display Rule. In particular, the firm displayed incomplete market data through its desktop, web-based, and mobile trading platforms to customers who did not pay the firm for real-time market data through a subscription service or by purchasing an on-demand “snapshot.”<sup>2</sup> For example, for these customers, the firm displayed, on some trading platforms, a stock’s last sale price without also displaying the volume and market identification for that sale or the stock’s NBBO. In addition, the market data that the firm displayed to these customers was on a 15-minute delay, and therefore did not reflect the prices, sizes, and market identifications of the NBBO or the consolidated last sale information for a stock as required by the Vendor Display Rule. In March 2022, the firm began providing all customers with a real-time consolidated display for NMS stocks containing all required market data elements at the point of order entry.

By failing to provide certain of its customers with a consolidated display containing all required market data elements, Interactive Brokers violated Rule 603(c) of Regulation NMS and FINRA Rule 2010.

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<sup>2</sup> After April 2019, Interactive Brokers offered customers who used certain trading platforms the opportunity to purchase a “snapshot”—a static view of a consolidated display of current market data for a particular stock—for a penny per snapshot.

**2. Interactive Brokers failed to establish, maintain, and enforce a supervisory system reasonably designed to achieve compliance with the Vendor Display Rule.**

FINRA Rule 3110(a) requires member firms to establish and maintain a system to supervise the activities of each associated person that is reasonably designed to achieve compliance with applicable securities laws and regulations, and with applicable FINRA rules. FINRA Rule 3110(b) requires member firms to establish, maintain, and enforce written procedures to supervise the types of business in which it engages and the activities of its associated persons that are reasonably designed to achieve compliance with applicable securities laws and regulations, and with applicable FINRA rules.

Violations of FINRA Rule 3110 also constitute violations of FINRA Rule 2010.

From at least December 2017 to December 2022, Interactive Brokers failed to establish, maintain, and enforce a supervisory system, including WSPs, reasonably designed to achieve compliance with the Vendor Display Rule. The firm had no supervisory system or WSPs from December 2017 through May 2021 and it conducted no reviews of its order entry points for compliance with the Vendor Display Rule. In June 2021, the firm implemented WSPs requiring a review of the order entry points of the firm's trading platforms to determine whether the firm has provided customers with the required consolidated displays. While the firm conducted these reviews between June 2021 and December 2022, the firm did not review all order entry points across the firm's trading platforms. In the fourth quarter of 2022, the firm identified 22 order entry points that it had not included in its prior reviews. The firm began reviewing all order entry points in its reviews in January 2023.

By failing to have a supervisory system reasonably designed to achieve compliance with the Vendor Display Rule, Interactive Brokers violated FINRA Rules 3110 and 2010.

B. Respondent also consents to the imposition of the following sanctions:

- a censure and
- a \$150,000 fine.

Respondent agrees to pay the monetary sanction upon notice that this AWC has been accepted and that such payment is due and payable. Respondent has submitted an Election of Payment form showing the method by which it proposes to pay the fine imposed.

Respondent specifically and voluntarily waives any right to claim an inability to pay, now or at any time after the execution of this AWC, the monetary sanction imposed in this matter.

The sanctions imposed in this AWC shall be effective on a date set by FINRA.

## II.

### WAIVER OF PROCEDURAL RIGHTS

Respondent specifically and voluntarily waives the following rights granted under FINRA's Code of Procedure:

- A. To have a complaint issued specifying the allegations against it;
- B. To be notified of the complaint and have the opportunity to answer the allegations in writing;
- C. To defend against the allegations in a disciplinary hearing before a hearing panel, to have a written record of the hearing made, and to have a written decision issued; and
- D. To appeal any such decision to the National Adjudicatory Council (NAC) and then to the U.S. Securities and Exchange Commission and a U.S. Court of Appeals.

Further, Respondent specifically and voluntarily waives any right to claim bias or prejudgment of the Chief Legal Officer, the NAC, or any member of the NAC, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including its acceptance or rejection.

Respondent further specifically and voluntarily waives any right to claim that a person violated the ex parte prohibitions of FINRA Rule 9143 or the separation of functions prohibitions of FINRA Rule 9144, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including its acceptance or rejection.

## III.

### OTHER MATTERS

Respondent understands that:

- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs (ODA), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against Respondent; and
- C. If accepted:

1. this AWC will become part of Respondent's permanent disciplinary record and may be considered in any future action brought by FINRA or any other regulator against Respondent;
2. this AWC will be made available through FINRA's public disclosure program in accordance with FINRA Rule 8313;
3. FINRA may make a public announcement concerning this agreement and its subject matter in accordance with FINRA Rule 8313; and
4. Respondent may not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any finding in this AWC or create the impression that the AWC is without factual basis. Respondent may not take any position in any proceeding brought by or on behalf of FINRA, or to which FINRA is a party, that is inconsistent with any part of this AWC. Nothing in this provision affects Respondent's right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party. Nothing in this provision affects Respondent's testimonial obligations in any litigation or other legal proceedings.

- D. Respondent may attach a corrective action statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. Respondent understands that it may not deny the charges or make any statement that is inconsistent with the AWC in this statement. This statement does not constitute factual or legal findings by FINRA, nor does it reflect the views of FINRA.

The undersigned, on behalf of Respondent, certifies that a person duly authorized to act on Respondent's behalf has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that Respondent has agreed to the AWC's provisions voluntarily; and that no offer, threat, inducement, or promise of any kind, other than the terms set forth in this AWC and the prospect of avoiding the issuance of a complaint, has been made to induce Respondent to submit this AWC.

October 28, 2025

Date

*Elaine Mandelbaum*

Interactive Brokers LLC  
Respondent

Print Name: Elaine Mandelbaum

Title: General Counsel

Accepted by FINRA:

Signed on behalf of the  
Director of ODA, by delegated authority

October 31, 2025

Date

*Becket Marum*

Becket Marum  
Principal Counsel  
FINRA  
Department of Enforcement  
1700 K Street NW  
Washington, DC 20006