



London Unallocated Gold

Key Information Document (KID)

Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

Product

Product Name	London Gold
Product Manufacturer	Interactive Brokers (U.K.) Limited (IBUK)
Website	www.interactivebrokers.co.uk
Telephone	Call 00800-42-276537; +44 207-710-5695 for more information
Competent Authority	The UK Financial Conduct Authority ("FCA") is responsible for supervising IBUK in relation to this Key Information Document
Date of KID	19 March 2025

You are about to purchase a product that is not simple and may be difficult to understand.

What is this product?

Type

An Over the Counter ("OTC") Derivative – London Unallocated Gold.

Term

London Unallocated Gold does not have a pre-defined maturity date (i.e., it is an open-ended investment to be bought and sold at your discretion). There is no recommended holding period or contract expiration implicit in this instrument; you have the discretion to determine the appropriate holding period based on your own individual trading strategy and objectives, however your position will only be kept open to the extent that you have available margin.

Early termination may occur in the event your account has insufficient funds to support the margin requirement for your position, or if IBUK for other reasons decides to discontinue the product (e.g. due to halts or suspensions or errors or illiquidity or volatility in the market for the underlying product, IBUK's own risk or profit parameters, technical errors, communication problems, market or political or economic or governmental events, acts of God or nature), or if IBUK were to become insolvent.

Objectives

London Unallocated Gold is not a listed instrument but is traded over the counter between you and IBUK. Unallocated means that you have a general claim to the cash value of physical gold held by a bullion dealer, but no gold has been segregated in your name.

The objective of trading this product is to gain exposure to price movements of physical gold without owning it outright. Thus, if the price of physical gold traded on the London bullion market rises, you receive cash from IBUK and vice versa. London Unallocated Gold can be bought long or sold short to suit your view of market direction in the future.

London Unallocated Gold is a leveraged product that requires you to deposit a smaller amount of cash as margin rather than paying the full value of your exposure. The level of leverage depends on the margin requirement as determined by IBUK from time to time. You will pay an initial margin upfront when the position is opened.

Intended Retail Investor

Trading this product is not appropriate for every investor. This product is intended for investors who have knowledge of, or are experienced with, leveraged products; who have a high risk tolerance; and who understand that they may lose more than the initial margin deposited to open the position.

By way of example, you deposit \$10,000 in your account and open a long position with a notional value of \$160,000. The initial margin paid to open the position is \$10,000. If the position loses 10% of its initial value and it is closed-out, you will have reported a loss of \$16,000. The loss will consume your entire account equity, and you will have to pay IBUK the negative balance of \$6,000.

Insurance Benefits

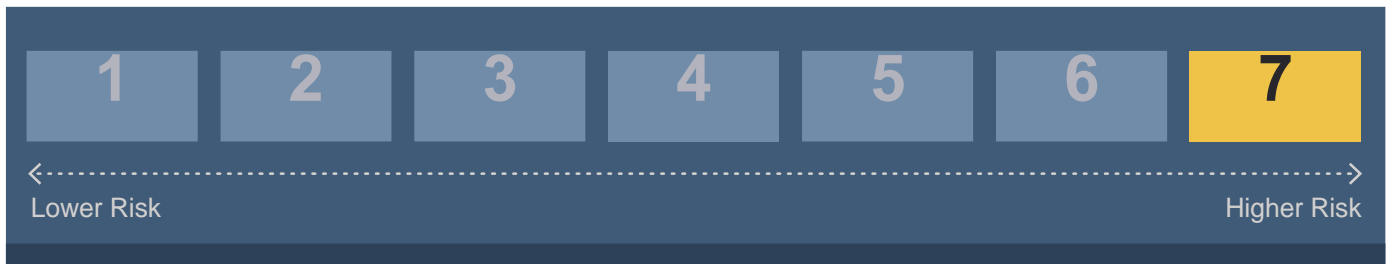
None



What are the risks and what could I get in return?

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you.

Risk Indicator



We have classified this product as 7 out of 7, which is the highest risk class. This rates the potential losses from future performance at a very high level in poor market conditions, which can result in a total loss of the capital you invested in this product. **Be aware of currency, leverage, counterparty, margin, slippage and technical risks. All margins, profits, losses, charges and financing credits and debits in relation to an instrument are calculated using the currency in which the instrument is denominated, exposing you to fluctuations in the value of that currency if it is not the base currency of your account. This risk is not considered in the indicator shown above.** If your account does not contain enough equity to meet applicable margin requirements, your open positions will be liquidated. **The total loss you may incur may significantly exceed the initial margin requirement.** You may not be able to close your position easily or you may have to sell at a price that significantly impacts your realised profit/loss. Markets may fall overnight, and we may not be able to close out your position at a price that would avoid losses greater than the margin originally deposited. In addition, if IBUK is not able to pay you what is owed, you could lose your entire investment.

Investment Performance Information

A London Unallocated Gold contract will make profits or incur losses as a result of price movements in the underlying metal. The return on your investment will be affected by a combination of factors such as the macro-economic environment impacting industrial supply and demand, by inflation and monetary policy, and additionally by demand for the metal as an investment. Prices for precious metals tend to be highly volatile. It is important to note that London Unallocated Gold contracts are leveraged products which means that losses and profits are magnified by the price movements of the underlying metal. If you buy or sell a London Gold contract in a currency which is not the base currency of your account, the final return you may receive will depend on the exchange rate between the base currency and the currency used by the contract.

What could affect my return positively?

A London Unallocated Gold contract opened at a Buy price will make a profit if closed at a higher Sell price. One opened at a Sell price will make a profit if closed at a lower Buy price. Favourable developments in any, or in a combination of the factors mentioned above could positively impact your investment. In such circumstances the level of leverage inherent in a London Unallocated Gold contract will further enhance returns. For example, if economic conditions are good and underlying demand for the metal is robust, you may see excellent performance. If underlying conditions are indifferent but investment interest is strong, you may also see a positive return.

What could affect my return negatively?

A London Unallocated Gold contract opened at a Buy price will incur a loss if closed at a lower Sell price. One opened at a Sell price will incur a loss if closed at a higher Buy price. Adverse developments in the factors described above will in turn affect your investment negatively, and if they do, the leverage deployed in the London Unallocated Gold contract will multiply the loss. Should the value of your account fall below the maintenance margin requirement, Interactive Brokers may close out your position and the loss may consume your entire account balance. In addition, significant losses may occur during periods of high market volatility due to leverage. As set out above, such volatility, even if temporary, can trigger automatic liquidations realizing your losses before the underlying metal has an opportunity to recover. The tax treatment of your investment will depend on your individual circumstances and tax residency and may change in the future. Tax may reduce your investment returns.

What happens if IBUK is unable to pay out?

If IBUK is unable to pay out, you may lose the value of your investment. IBUK segregates all client funds from its own money as required by the UK FCA Client Assets rules. In addition, IBUK is a member of the Financial Services Compensation Scheme. This means that if IBUK is unable to pay out, retail investors and certain other investors may be eligible to make a claim of up to £85,000 but may otherwise lose all of their initial investment and any returns generated on their initial investment. Please refer to www.fscs.org.uk for detailed information and eligibility criteria.



What are the costs?

The Reduction in Yield ("RIY") shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs. The amount shown here are cumulative costs of the product itself for an estimated holding period of 4 weeks. The figures are estimates and may change in the future.

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs and show you the impact that all costs will have on your investment over time.

Costs Over Time

Notional Investment \$10,000	If you cash in after 28 days
Total Costs	\$45.64
Impact on return (RIY) per year*	0.46%
*This illustrates how costs reduce your return over the assumed holding period. For example, it shows that if you exit after 28 days, your average return is projected to be 2.0% before costs and 1.5% after costs.	

Composition of Costs

The table below shows the:

- impact of the different types of costs on the investment return you might get.
- meaning of the different cost categories.

One-off costs upon entry or exit		Cost if you exit after 28 days
Entry costs	Brokerage Commissions of 0.015%. These are the costs you pay when entering your investment. This is the most you will pay, and you could pay less.	\$1.54
Exit costs	Brokerage Commissions of 0.015%. These are the costs you pay when exiting your investment. This is the most you will pay, and you could pay less.	\$1.57
Ongoing costs		
Management fees and other administrative or operating costs	Financing costs of 5.83% based on an overnight deposit benchmark plus a maximum spread of 2.5% per annum.	\$42.53
Transaction Costs	There are no transaction costs for this product.	N/A
Incidental costs taken under specific conditions		
Performance fees	There are no performance fees for this product.	N/A

How long should I hold it and can I take money out early?

Recommended holding period

There is no recommended holding period or minimum holding period. There are no consequences of you choosing to close your position other than ending your exposure to the underlying at that time.

Early termination may occur in the event your account has insufficient funds to support the margin requirement for your position, or if IBUK for other reasons decides to discontinue the instrument, or if IBUK were to become insolvent.

How can I complain?

If you wish to make a complaint, you can contact Interactive Brokers (U.K.) Limited, 20 Fenchurch Street (floor 12), London EC3M 3BY (ibukcomplaints@interactivebrokers.co.uk). IBUK maintains a [Complaints Handling Procedure](#) where you can find more detail on how to submit a complaint and what to expect. In certain cases, you may refer your complaint to the Financial Ombudsman Service (FOS). Please find a copy of the FOS's [consumer leaflet](#). If you purchased the product through an advisor or someone other than IBUK, you can also contact the person who advised you or who sold you the product.

Other relevant information

While this key information document is a detailed summary of this product, it does not contain all information relating to the product. For product specifications details (trading hours, margin calculation, leverage, contract sizes etc.) please refer to the [product section](#) available on our website. The terms and policies displayed on our [website](#) contain important information regarding your account. You should ensure that you are familiar with all the terms and policies that apply to your account.