

Douglas Capital Management, LLC

Tips for Funding Your Account

The last, and often the most difficult, step to opening an account with Interactive Brokers is funding your account. I have started this document to make things as easy as possible for you. The process is complicated because funds come from a variety of different financial institutions, and each has their own processes in place. First search this page for the brokerage account, mutual fund family, or type of financial institution where your funds are coming from. I will provide tips for how to get your funds out of that institution, and into your new Interactive Brokers account.

General Instructions:

1. Sell all your mutual funds and bonds as soon as possible. Interactive Brokers accepts very few mutual funds and bonds
2. Wait 2-3 days for your mutual fund and bond transactions to clear.
3. Initiate a transfer of your cash and/or stocks into Interactive Brokers.

From another Brokerage Account (Fidelity, Merrill Lynch, TD Ameritrade, Charles Schwab, Scottrade, etc.):

Do an ACATS Transfer.

Log into your Interactive Brokers account.

It will most likely take you directly to the "Fund Your Account" section.

If it doesn't, select "Funds Management", then "Deposits and Transfers"

On the right side of the page, select "ACAT transfer", then hit continue.

On the next screen, select "Full Transfer", or "Partial Transfer" then hit continue

On the next screen, select the same source type as your Interactive Brokers account.

Select the appropriate firm name. For Fidelity accounts, select "National Financial Services Corporation 0226"

Enter the account number for the source account..

Answer the last 3 questions

Sign the electronic signature.

From a Mutual Fund Family:

Call the customer service line at the mutual fund family, explain what you want to do, and follow their instructions.

From the 401K plan (Administered by Fidelity) of a former employer:

One client has successfully done an ACATS transfer from the Fidelity administered 401K plan into Interactive Brokers. Many other clients had to do a two-step transfer:

1. Transfer the 401K funds into a Fidelity Rollover IRA.
2. Transfer the Fidelity Rollover IRA funds into an Interactive Brokers IRA using an ACATS transfer. For the firm name, select National Financial Services Corp (part #: 0226), then enter your account number and answer the last 3 questions.

The quality of service you get from the Fidelity reps varies a great deal. One client was particularly pleased with the service he received from Mike Combs 800-557-1900 x 6253. If you can't reach Mike through his direct line, you should try to call during normal business hours because you tend to get better answers from the Fidelity transfers group who are available at that time.

Depositing a Rollover check from a Previous Employer's 401K:

You need to notify Interactive Brokers that the check is coming into the account. To do that, you must:

Log into your Interactive Brokers account.
Select "Deposits and Transfers", then select the top check.
You will see these options on the screen:

IRA Deposit Type
Contribution
IRA Rollover
Check Details
Amount
Currency

Bank Routing Number
Bank Account Number

For IRA Deposit Type, select IRA Rollover
Enter the amount of the check coming in.
Enter US Dollars
Find out the Bank Routing Number and the Account Number from which the check will be written.

Hit "Continue"

You will see the following options:

Roth IRA
Direct Rollover IRA
Simplified Employee Pension (SEP) IRA
Traditional IRA

Select the same source type as the type of IRA account you have.

Once you complete that information, Interactive Brokers will be ready for the check when it arrives.

From the 401K plan of your current employer:

If you are over 59 years old, you may be able to do an in-service rollover: take funds out of the 401K plan of your current employer and place them in a Rollover IRA. You will need to call your 401K plan administrator in order to see if that is possible, and for instructions for how to do it.

From a Bank:

If you send a check to Interactive Brokers, it will take approximately 3 business days to arrive, then Interactive Brokers will hold it for 7 business days, so the funds will not be available for DCM to invest for 2 weeks. DCM suggests clients send funds from a bank or a brokerage account with check writing by doing an automated clearing house transfer instead. You can set up an automated clearing house transfers between your bank account and your Interactive Brokers account by following these instructions.

- Log in to your Interactive Brokers account
- Select "Funds Management", then "Deposits and Transfers"
- Select "Automated Clearing House" the second from the top.
- Select "Create Instruction", then hit "Continue"
- Enter the information about your bank account
- Select "ACH Debit & Credit", then hit "Continue"

Interactive Brokers will make a small deposit to and withdrawal from your bank account.

Wait 1-2 business days, then call your bank or check online to see the amount of the debit and the amount of the credit.

- Log back in to your Interactive account
- Select "Funds Management", then "Deposits and Transfers"
- Select "Automated Clearing House" the second from the top.
- Select "Confirm Instruction" or something like that, then hit "Continue"
- Enter the amount of the debit and the amount of the credit.

Once you are done with that, you will be able to transfer funds back and forth between your Interactive Brokers account and your bank account whenever you like, and the fees should be zero or very small.

If these instructions were not sufficiently clear to make the Interactive Brokers funding process easy for you, please send suggestions for how to improve them to brettdouglas@dcm-llc.com

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