



Ally Invest Securities

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This article needs additional work for its sourcing and verifiability to meet the wiki's [Content Guidelines](#) and be in line with our [Mission Statement](#) for comprehensive coverage of consumer protection issues.

This notice will be removed once sufficient documentation has been added to establish the systemic nature of these issues. Once you believe the article is ready to have its notice removed, please visit the [Moderator's noticeboard](#), or the [discord](#) and post to the [#appeals](#) channel.

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Ally Invest Securities, LLC (also known as **Ally Invest**) is a wholly-owned subsidiary of [Ally Financial](#) which provides securities brokerage and financial services.

Ally Invest provides services to customers who are natural persons or legal entities such as trusts.

Select business and consumer practices [\[edit | edit source \]](#)

Forced arbitration [\[edit | edit source \]](#)

Ally Invest may present customers with agreements that [force arbitration](#), without an opt-out clause:^[1]

THIS AGREEMENT CONTAINS A PRE-DISPUTE ARBITRATION CLAUSE. BY SIGNING THIS AGREEMENT, THE PARTIES AGREE AS FOLLOWS: (I) ALL PARTIES TO THIS AGREEMENT ARE GIVING UP THE RIGHT TO SUE EACH OTHER IN COURT, INCLUDING THE RIGHT TO A JURY, EXCEPT AS PROVIDED BY THE RULES OF THE ARBITRATION FORUM IN WHICH A CLAIM IS FILED.

Ally Invest Securities



Basic information

Founded	2016
Legal structure	Subsidiary
Industry	Stockbrokering
Official website	https://www.ally.com/invest

Asymmetric indemnification clauses [\[edit | edit source \]](#)

Ally Invest may present customers with an account agreement which includes language like the following:^[1]

In addition, I agree that the Indemnified Parties will not be liable for any Losses that result from....any activities of or services provided by the Indemnified Parties in connection with My Account (including, without limitation, any technology services, reporting, trading, research or capital introduction services)

I consent to the use of automated systems....I understand that the use of Automated Systems entails risks...that could cause substantial damage, expense or liability to Me. I understand and agree that Indemnified Parties will have no liability whatsoever for any Losses arising out of or relating to a System Failure.

But in practice, the customer will be expected to unconditionally make timely and competent performance on cash, securities, instructions, documents, etc. or suffer consequences like margin loan interest without any provision for indemnification.

Similarly, Ally Invest requires the customer to endorse a sweeping guarantee of "Information Accuracy" but does not make the same guarantee (specifies indemnity for itself instead).

Customers should be aware that Ally Invest may exercise great pain to indemnify itself which could result in economic loss to customers.

Information collection and sharing [\[edit | edit source \]](#)

Ally Invest may use or transmit data related to a customer's account or device with a wireless carrier. They may present customers with account applications specifying text like the following:^[1]

Customer Authentication. I authorize My wireless carrier to use or disclose information about My account and My wireless device, if available, to AIS or its service provider for the duration of My business relationship, solely to help them identify Me or My wireless device and to prevent fraud.

Customers who are concerned over their physical and cyber security potentially being affected by an account agreement but without any stated opt-out could compare this position with competitors and/or to regulatory or court filings and statements to assess the legal position of this practice.

Piercing the corporate veil [\[edit | edit source \]](#)

Ally Invest may try to require customers provide it with a security interest in their property that reaches beyond the relationship strictly between the customer and Ally Invest Securities:^[1]

Setoff and Security Interest Rights. I grant AIS a security interest in each of My accounts with AIS and its affiliates (each, an "Ally Company") for obligations owing to any Ally Company.

An intentionally broad and/or vague definition of "affiliates" could be an attempt of Ally Invest Securities to use the customer's property to satisfy business dealings that are not directly between the customer and Ally Invest Securities.

Customers should be aware of the risk that Ally Invest Securities may have already invested in legal arguments on this matter that could result in the customer's substantial economic losses in the case that one of Ally's related interests (potentially a very close "affiliate") is able to create a successful claim against customer property where such a breadth of (successful) claimants may not have existed under similar circumstances (such as with a different broker).

Interest rates charged [edit | edit source]

Ally Invest may be charging customers a higher rate of interest than the maximum allowed rate named in statutory laws in some jurisdictions in the United States. For example, the 2024 Maryland Code Commercial law sec. 12-102^[2] states a maximum rate of interest of 6 percent per annum, but Ally Invest does not specify that it does not allow its interest rates to go above 6% for customers residing in Maryland. It is worth noting, however, that other companies providing brokerage services publicly advertise similarly high (less favorable) interest rates to customers. As of 2025-01-19, the public-facing Ally Invest website cites a margin loan interest rate as of 2024-12-18 of between 7.50% and 12%.

References [edit | edit source]

<https://www.ally.com/invest/>^[↗]

<https://www.ally.com/invest/self-directed-trading/margin-account/>^[↗]

- 1. [↑] ^{1.0} ^{1.1} ^{1.2} ^{1.3} <https://www.ally.com/content/dam/pdf/invest/invest-trust-application.pdf>^[↗]
- 2. [↑] <https://law.justia.com/codes/maryland/commercial-law/title-12/subtitle-1/section-12-102/>^[↗]

Categories: [Articles in need of additional work](#) | [Articles with verification concerns or other deficiencies](#)
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