

Alpaca Securities LLC Customer Relationship Summary (Form CRS)

Item 1. Introduction

Alpaca Securities LLC (Alpaca) is a broker-dealer registered with the Securities and Exchange Commission (SEC). We are a member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investor Protection Corporation (SIPC).

We are a broker-dealer and provide brokerage accounts and services rather than advisory accounts and services. Brokerage and investment advisory services and fees differ, and it is important for you to understand these differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

Item 2. Relationship and Services

What investment services and advice can you provide me?

We offer to retail investors brokerage services in a self-directed individual or business account. Trades are entered either via the client dashboard, or a client-created trading algorithm connected to Alpaca's Application Programming Interface (API). We offer U.S. listed equity and ETF securities. We do not recommend any investment products or trading strategies. Given that all trades are self-directed, we do not monitor your investments for suitability. We will deliver account statements and trade confirmations to you in electronic form only. We do not have a minimum account size or investment amount.

For additional information, please see alpaca.markets.

Conversation Starters:

Given my financial situation, should I choose a brokerage service? Why or why not?

How will you choose investments to recommend to me?

What is your relevant experience, including your licenses, education, and other qualifications? What do these qualifications mean?

Please see here for the [responses to the conversation starters](#).

Item 3. Fees, Costs, Conflicts, and Standard of Conduct

What fees will I pay?

Any fee you pay is based on the specific transaction and not the value of your account. We do not charge a commission for trades. Some investments (e.g. ETFs) impose additional fees that will reduce the value of your investment over time. We may charge you additional fees, such as margin interest fees, stock borrow fees, and wire fees per our published fee schedule.

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.

For additional information, please see [Alpaca Securities Brokerage Fee Schedule](#).

Conversation Starter:

Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

Please see here for the [responses to the conversation starters](#).

What are your legal obligations to me when providing recommendations? How else does your firm make money and what conflicts of interest do you have?

We **do not** provide recommendations. The way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means.

When you buy or sell securities we receive Payment For Order Flow (PFOF) from part or all of your transactions. This PFOF is used, in all or in part, to offset the cost of providing services to you. Additionally, we make money on stock borrow fees and earn interest on cash deposits and margin loans. Our interests can conflict with your interests. We benefit from transactions executed on your behalf. When we provide services, we must eliminate these conflicts or tell you about them and in some cases reduce them.

Conversation Starter:

How might your conflicts of interest affect me, and how will you address them?

Please see here for the [responses to the conversation starters](#).

For additional information, please see alpaca.markets/disclosures.

How do your financial professionals make money?

Given that all clients are self-directed and that we do not make any recommendations, we do not employ financial professionals in the traditional sense. We employ fully qualified licensed professionals in our operational and compliance functions. Compensation is not based on commissions or fees of any kind.

Item 4. Disciplinary History

Do you or your financial professionals have legal or disciplinary history?

Yes. Visit [Investor.gov/CRS](https://investor.gov/CRS) for a free and simple search tool to research Alpaca and its financial professionals.

Conversation Starter:

As a financial professional, do you have any disciplinary history? For what type of conduct?

Please see here for the [responses to the conversation starters](#).

Item 5. Additional Information

For additional information about our services, please refer to our website at alpaca.markets. If you would like additional, up-to-date information or a copy of this disclosure, please email support@alpaca.markets or call 650-489-2017.

Conversation Starter:

Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?

Please see here for the [responses to the conversation starters](#).

Exhibit A - Summary of Material Changes to Form CRS

1. Updated the length of the Form CRS to two pages.
2. Reordered the order of items.
3. Added links to responses to the conversation starters.
4. Updated Item 3. Fees, Costs, Conflicts, and Standard of Conduct.
5. Updated Item 4. Disciplinary History.