

Alpaca Securities LLC Customer Relationship Summary (Form CRS) Responses to Conversation Starters

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

If you are interested in opening an account where you do not receive recommendations or advice about whether to buy or sell investments or investment strategies or account monitoring, and you make all of your own investment decisions, then a self-directed brokerage like ours could be the right fit for you. Additionally, to take full advantage of our technology, you must be able to write your own code in one of our supported languages. However, for simple buy and sell transactions Alpaca also offers a manual widget to place trades, which does not require any coding knowledge.

How will you choose investments to recommend to me?

Alpaca and any of the licensed professionals who work at the firm will never recommend any investments or investment strategies for your account. These brokerage accounts are self-directed by you.

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

Alpaca and its employees do not offer financial advice. However, since Alpaca operates in a regulated environment, its investment professionals maintain licenses with the Financial Industry Regulatory Authority (FINRA). In general, investment professionals must have a Series 7 license to discuss account activity with clients and a Series 24 to perform supervisory duties.

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?

If you open a brokerage account through Alpaca and want to invest in securities, you will not pay commissions on your trades. There are additional fees for using margin lending, which is charged on the daily balance at an annualized prevailing interest rate, which may change from time to time. If you want to sell securities short, you will be charged the prevailing borrow rate on a full lot on a daily basis. If you choose to use additional services, such as wire transfers or ACATS, those services are charged at the then prevailing rate. If you incur returned ACH fees, those are charged to you.

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

As discussed in our Customer Relationship Summary, we receive Payment For Order Flow (PFOF) from part or all of your transactions, and we make money on stock borrow fees and margin loans. We address these potential conflicts of interest by ensuring that all accounts are self-directed by our clients. We do not recommend any investments, nor do we recommend any investment strategies.

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

As discussed in our Customer Relationship Summary, we do not employ financial professionals in a traditional sense (e.g. we do not recommend investment products or investment strategies). We employ licensed professionals in our operational and compliance functions. Some individuals have disciplinary history. Visit [Investor.gov/CRS](https://www.investor.gov/crs) for a free and simple search tool to research Alpaca and its licensed professionals.

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?

Since Alpaca is a fully automated investing platform that operates through its API, all questions and concerns should be emailed to support@alpaca.markets. The nature of the question or concern will determine which Alpaca team member will address the issue. We do not recommend any investments, nor do we recommend any investment strategies. If your issue does not appear to be answered in a satisfactory manner, email compliance@alpaca.markets.