

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?***

Alpaca Securities LLC (“Alpaca”, “Firm”, “we”, “our”, “us”) offers self-directed brokerage services. We do not provide recommendations, including recommendations about whether a brokerage service is right for you. A self-directed brokerage service could be a good fit for you if you are comfortable managing your own investments and prefer buying and selling securities yourself.

How will you choose investments to recommend to me?

We do not provide recommendations, advice about investments or investment strategies, or account monitoring. If you open a brokerage account directly with us, you will make all of your own investment decisions. If you trade through an authorized business partner that has integrated with our platform, we act solely as the broker-dealer clearing firm, executing and clearing trades in your brokerage account. Any investment recommendations or advice you receive in that case come solely from your authorized business partner, not from Alpaca.

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

Alpaca and its financial professionals do not make recommendations or offer investment advice. However, since Alpaca operates in a regulated environment, its financial professionals maintain licenses with the Financial Industry Regulatory Authority (FINRA). To obtain and maintain such FINRA licenses, each financial professional must pass qualification exams administered by FINRA that demonstrate their competence in the particular securities activities in which they will work, and they must complete continuing education training.

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?

As discussed in our Customer Relationship Summary, we generally do not charge a commission for trades, unless you enroll in Alpaca Elite or our arrangement with your authorized business partner precludes commission-free trading. At the time of sale, proceeds will be credited to your account less applicable regulatory transaction fees. If you are approved to use margin in your account, you can use borrowed funds from Alpaca when self-directing trades in your account and you will incur additional fees charged on your daily borrowed balance at an annualized prevailing 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.

If your account is directly with us and you invest \$10,000, all \$10,000 will be invested minus any applicable regulatory transaction fees upon the sale of your investments. If you enroll in Alpaca Elite and you invest \$10,000, all \$10,000 minus your per share commission charge will be invested and minus any applicable regulatory transaction fees upon the sale of your investments. If you choose to use margin for any investment, your interest costs on any borrowed funds will be deducted from your account balance on a monthly basis.

If you opened your account directly with us, please refer to the [Alpaca Securities Brokerage Fee Schedule](#) and <https://alpaca.markets/elite>. your account is established via an authorized business partner, please refer to the fee schedule provided through your authorized partner’s website or platform. Please note that not all of the aforementioned products and services are offered by all authorized business partners. Please ensure you review the fees and costs identified on any confirmations and statements you receive.

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

As discussed in our Customer Relationship Summary, the way we make money creates some conflicts with your interests. For example, Our receipt of payment for order flow (PFOF) gives us an incentive for you to trade more. Our receipt of interest on when you trade on margin gives us an incentive for you to borrow more funds. Our receipt of interest on your uninvested cash both within and outside the Sweep Program gives us an incentive for you to hold more cash in your account.

We address these potential conflicts of interest by, among other things, ensuring that all accounts established directly with Alpaca are self-directed, placing the decision to trade or not to trade solely in your control. We do not recommend any investments or investment strategies, and our employees are not compensated based on commissions, fees, performance of your account, amount of your assets, or your selection of securities or services. We also seek best execution for each order without regard for any payment for order flow received from our order routing venues and provide more information on payment for order flow in our [606 Reports](#). Alpaca's business partners may, or may not, recommend investments or investment strategies. If you established your account via an authorized business partner, please contact them directly for details.

This response does not identify all of our conflicts of interest, all material facts about the conflicts of interest listed, or all the ways in which we address our conflicts of interest. ***For additional information***, please see alpaca.markets/disclosures, or, if applicable, your authorized business partner's platform.

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

Yes. You can research Alpaca or our financial professionals using a free, simple search tool at <https://Investor.gov/CRS> or <https://brokercheck.finra.org>.

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 online investing platform, 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 account is established via an authorized business partner, you may contact them directly. If your issue does not appear to be answered in a satisfactory manner, please email compliance@alpaca.markets.