

# Stash Investments LLC and Stash Capital LLC Form CRS: Client Relationship Summary

Effective December 14, 2023

## Introduction

Stash is a financial technology company headquartered in New York City that offers products designed to help you build financial habits and manage your wealth through financial education, tools, and guidance. Stash Financial Inc. owns both Stash Investments LLC and Stash Capital LLC. Stash Investments LLC is registered with the Securities and Exchange Commission (“SEC”) as an investment adviser and Stash Capital LLC is registered with the SEC as a broker-dealer and is a member of the Financial Industry Regulatory Authority, Inc. (“FINRA”) and the Securities Investor Protection Corporation (“SIPC”). Brokerage and investment advisory services and fees differ, and it is important for you to understand these differences. We are providing this summary as required by SEC rules. 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.

## Relationships and Services

### *What investment services and advice can you provide me?*

Stash Investments provides a wrap-fee program to retail investors (hereinafter “clients”), which, as summarized below, includes automated investment advice through the Stash Investments platform. Stash Investments offers investment advice (both personal and impersonal) through our platform and initiates money movements directed by you. Stash Investments offers four distinct trading windows during normal market trading hours to clients with personal investment accounts, retirement accounts, custodial accounts (personal investment accounts, retirement accounts, and custodial accounts, collectively, “Non-Discretionary Managed Accounts”), and/or Discretionary Managed Accounts, as described and defined below, (Non-Discretionary Managed Accounts and Discretionary Managed Accounts, collectively “investment accounts”). The frequency of these distinct trading windows may be limited during adverse market conditions or during shortened trading sessions or otherwise changed in Stash Investment’s sole discretion. Stash Capital serves as the introducing broker for Stash Investments clients’ personalized investment accounts.

Our partner, Apex Clearing Corporation (“Apex”), provides clearing services and serves as qualified custodian for advisory assets of Stash Investments’ clients with investment accounts. Stash Investments requires that its clients with investment accounts use Apex as their independent custodian, and for clearing services. For clients with investment accounts, Apex holds your securities and cash, records your transactions, facilitates an FDIC sweep program and securities lending program, and facilitates standard account activities like transferring stocks and/or cash out of your brokerage account, otherwise known as an Automated Customer Account Transfer (ACAT).

Stash Investments offers two “subscription tiers” for clients to choose from as part of our subscription wrap-fee program: Stash Stash Growth, and Stash+. We offer impersonal, as well as personalized non-discretionary and discretionary, investment advisory services under a subscription wrap-fee program. Impersonal means that the investment advice is not tailored to your individual needs and does not purport to meet the objectives or needs of your investment account(s) with Stash Investments, to the extent you have such account(s). Non-discretionary means that we do not make investment decisions for you, instead, you decide when to buy or sell securities. Stash Investments does not exercise discretion over your assets in Non-Discretionary Managed Accounts. You construct your portfolio utilizing Stash Investments’ personalized investment advice through the platform and are responsible for implementing such advice. Discretionary means we will recommend a target asset allocation in accordance with your investor risk profile, where Stash Investments will manage your portfolio and decide what securities to trade and how often to trade. We will not offer you any investment opportunities in Discretionary Managed Accounts other than certain designated exchange traded funds (ETFs) and/or equity securities in accordance with your investor risk profile. You can impose reasonable restrictions as permitted in your Discretionary Managed Account. Please see Stash Investments’ [Form ADV Part 2](#) in our Disclosure Library for more details: [www.stash.com/disclosurelibrary](https://www.stash.com/disclosurelibrary). Stash Investments will periodically rebalance your Discretionary Managed Account in accordance with your target asset allocations. Certain clients

may receive impersonal investment advice without establishing investment accounts. Stash Investments will only provide such clients with advisory services that are impersonal.

For all investment accounts, your investor risk profile is generated from a risk score algorithm that is based on questions answered by you, such as investment time horizon, risk tolerance, liquidity, and investment goals (“Suitability Questionnaire”). Select clients that only receive impersonal investment advice do not provide Stash Investments with such information included in the Suitability Questionnaire because these clients do not open investment accounts. We offer a selection of individual stocks and ETFs for you to invest in for Non-Discretionary Managed Accounts. For most of the investments available on our platform, you can purchase a fraction of a share, while all investments can be purchased in whole shares.

Stash Investments considers several factors, including data from third-party providers, when selecting and monitoring investments available on our platform. We will contact you at least yearly to remind you to review and make any needed updates to your Suitability Questionnaire, to the extent applicable. As part of its best execution responsibilities, Stash Investments reviews and monitors data and/or reports regarding execution costs of transactions executed through Stash Capital for investment accounts.

We do not require clients to deposit funds to open a personal investment account, custodial account (UTMA/UGMA), retirement account (Roth and Traditional IRA), or a Discretionary Managed Account. Stash requires a balance of at least \$0.01 to maintain a personal investment account, custodial account (UTMA/UGMA), or retirement account (Roth and Traditional IRA). Stash requires a balance of at least \$5.00 to maintain a Discretionary Managed Account. Select clients that do not open investment accounts with Stash Investments and, thus do not receive personalized investment advice, are not subject to any account size requirements. Such clients are only required to provide Stash Investments with a name, email address, date of birth, home address, cell phone number, and payment method, select a subscription plan, and agree to pay the wrap fee, described below, to receive impersonal investment advice.

In addition to the account types above, Stash Investments offers the following services to clients:

- **Education:** Clients can access educational information, which is impersonal in nature, at <https://www.stash.com>. As part of the \$9 Stash+ subscription tier, clients have access to our Market Insights Reports, which provide detailed reviews of market news and insights.
- **Stock-Back:** Clients with Stash Banking Accounts are eligible to earn stock and ETF rewards when they use their Stash debit cards to make purchases.
- **Recurring Transactions:** Stash Investments has 2 tools available for clients to use for automatic investing or saving:
  - **Round-Ups:** Round-Ups is a service that you can enroll in that allows you to “round up” spare change from transactions through your linked bank account and place the spare change into your personal investment account with Stash Investments.
  - **Set-Schedule:** Set-Schedule is a service that allows you to elect to pick a specific amount of money to be moved from your bank account to any Stash Investments investment account automatically on a recurring basis. You can also choose to have those funds automatically invested in stocks or ETFs.

In addition to these services, Stash Cash Management LLC, through our FDIC member partner bank, offers accounts to you through “banking as a service.” Stash Cash Management LLC is not a licensed banking institution. Stash Financial Inc. also owns Stash Insurance Services LLC, which provides services for several insurance companies.

The only service available to select clients that do not open investment accounts is “Education”, as described above. Some clients will have access to educational information on the platform, even prior to opening an investment account(s), after completing the first phase of Stash Investments’ onboarding process. All other clients will obtain access to the platform, including educational information, only after completing Stash Investments’ entire onboarding process and obtaining approval from Stash Investments to open an investment account(s).

## Additional Information

Additional documentation related to accounts and services that we provide, along with Stash Investments' [Form ADV Part 2](#), can be found in the Disclosure Library at [www.stash.com/disclosurelibrary](http://www.stash.com/disclosurelibrary).

### Conversation Starters:

- Given my financial situation, should I choose an investment advisory service? Should I choose a brokerage service? Should I choose both types of services? 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 review our [Conversation Starters](#) for more information.

## Fees, Costs, and Conflicts

### *What fees will I pay?*

Our subscription wrap-fee program bundles, or “wraps” investment advisory services for a single inclusive fee. We charge a monthly fee at the beginning of our relationship with you for a bundle of investment advisory services (both personal and impersonal) and each monthly period thereafter, with an option to pay annually in advance, as permitted by Stash Investments.

**You will pay fees 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.** Below are the two subscription tiers we offer, and the fees associated with each tier.

<b>Stash Growth</b> \$3/month	<b>Stash+</b> \$9/month
<ul style="list-style-type: none"><li>✓ Brokerage Account (Personal investment Account)</li><li>✓ IRA Account (Retirement Account)</li><li>✓ Discretionary Managed Account (Smart Portfolio)</li></ul>	<ul style="list-style-type: none"><li>✓ Brokerage Account (Personal investment Account)</li><li>✓ IRA Account (Retirement Account)</li><li>✓ UTMA Account(s) (Custodial Account(s))</li><li>✓ Discretionary Managed Account (Smart Portfolio)</li></ul>

All subscription tiers come with access to a banking account, debit card, and Stock-Back® rewards.

### The most common fees and costs that apply to you are:

- Wrap fee for your account: \$3, or \$9 per month depending on the tier you sign up for.
- Account-based fees: \$5 per paper statement and \$2.50 per paper confirmation, which can be avoided with electronic statements and confirmations.
- ACAT fees: \$75 for an outgoing ACAT.

## Additional Information

Additional information about our fees and costs can be found in Stash Investments' [Form ADV Part 2](#) and in Stash Investments' [Investment Advisory Agreement](#).

### Conversation Starters:

- 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 review our [Conversation Starters](#) for more information.

*What are your legal obligations to me when providing recommendations as my broker-dealer or when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?*

We *do not* provide recommendations as your broker-dealer. When we act as your investment adviser, we have to act in your best interest and not put our interests ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they affect the services and investment advice we provide you. Here are some examples to help you understand what this means:

- The use of Stash Capital as an introducing broker-dealer creates certain conflicts of interest for Stash Investments. Stash Investments receives additional revenue in connection with Stash Investments' client investment accounts held at Apex. This additional revenue is created by fees which apply to your investment account and account activities.
- Stash Cash Management LLC shares in revenue earned on transactions made using the Stash debit card.
- Stash Cash Management LLC earns a portion of the revenue generated by consumer deposit account activity.
- Stash Capital will share in revenue earned on securities lending, FDIC sweep on credit balances, payment for order flow, and other ancillary fees generated by Apex. Stash Investments has an incentive to recommend securities that could be lent for this reason.

#### **Additional Information**

Stash Investments does not allow such conflicts to prevent Stash Investments from exercising our judgment in your best interest. Further information regarding Stash Investments' conflicts of interest can be found in our [Form ADV Part 2](#).

#### **Conversation Starters:**

- How might your conflicts of interest affect me, and how will you address them? Please review our [Conversation Starters](#) for more information.

*How do your financial professionals make money?*

Financial professionals are paid an annual salary, in addition to discretionary bonuses. Financial professionals are not compensated based on your assets we service (as applicable), the time and complexity required to meet your needs, products sold, product sales commissions, or revenue Stash Investments earns from financial professionals' recommendations.

#### **Disciplinary History**

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

No. You can go to [Investor.gov/CRS](https://investor.gov/CRS) for a free and simple search tool to research Stash Investments, Stash Capital, and our financial professionals.

#### **Conversation Starter:**

- As a financial professional, do you have any disciplinary history? For what type of conduct? Please review our [Conversation Starters](#) for more information.

#### **Additional Information**

Additional information about Stash Investments' and Stash Capital's investment advisory and brokerage services can be found at <https://www.stash.com>. If you would like additional, up-to-date information or a copy of this disclosure, please see <https://www.stash.com/disclosurelibrary>. For frequently asked questions and a place where you can ask additional questions, please go to <https://ask.stash.com>. You can also email [support@stash.com](mailto:support@stash.com) or call (800) 205-5164 with any questions you have regarding such documents.

#### **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 review our [Conversation Starters](#) for more information.