

Stash Investments LLC & Stash Capital LLC
Form CRS Conversation Starters — Effective March 31, 2021

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?*

- o An investment advisory service might be right for you if you have questions about investing, you want guidance on investment decision-making, and you are comfortable paying an ongoing investment management fee. A brokerage service might be right for you if you have significant experience investing and do not want to pay an ongoing investment management fee. Choosing both services may be appropriate in cases where you want guidance on investment decision-making for some of your assets but not others.

□ *How will you choose investments to recommend to me?*

- o If you open an investment account, recommendations made to you will be from Stash Investments LLC in our capacity as an investment adviser. We offer both discretionary (“Discretionary Managed Accounts”) and non-discretionary (“Non-Discretionary Managed Accounts”) investment advisory services.
 - For Non-Discretionary Managed Accounts (Custodial (UTMA/UGMA), Retirement (IRA and Roth IRA), Personal Investment (Brokerage)), Stash Investments LLC does not exercise discretion over client assets, and clients decide when to buy or sell securities. Clients construct their own portfolios utilizing the recommendations presented through the platform. While clients are ultimately responsible for implementing the recommendations generated by the platform, they are under no obligation to do so. Our recommendations for Non-Discretionary Managed Accounts are based on the information you provide us in the suitability questionnaire when starting a relationship with us, which includes information such as age, financial resources, risk tolerance, and investment time horizon. Our platform uses an algorithm to analyze this information and provide a risk score. Based on this risk score, you will be provided curated investments and general recommendations regarding financial habits, diversification, and portfolio construction. It is important to note that only the information you provide in the suitability questionnaire is used to make these recommendations and that we do not offer alternative recommendations based on any additional information that you may provide us outside of the suitability questionnaire. The information in your suitability questionnaire can be updated at any time if the information on it changes. The recommendations that we provide are only recommendations and you can choose to make investment decisions that are outside of these recommendations. Regarding recommendations for Non-Discretionary Managed Accounts, it is important that you understand that making an investment decision that is outside the scope of the recommendations provided may not be appropriate based on your risk score and that your portfolio may perform worse over any time horizon than a portfolio designed according to the recommendations provided or any other investment strategy. More

information regarding how we make recommendations to you can be found in our [Form ADV Part 2](#).

- For Discretionary Managed Accounts, Stash Investments LLC offers model portfolios comprised of various publicly traded securities, including, primarily without limitation, ETFs and/or other similarly traded instruments, which may be selected by Stash Investments LLC, its affiliates or third parties, and various portfolios, which may be developed by Stash Investments LLC, its affiliates or third parties. The automated selected investments are selected to allocate assets among a diversified collection of instruments across different asset classes, industries, economic sectors, geographic regions, social beliefs, and/or investment strategies. The program offers Discretionary Managed Accounts selected by Stash Investments LLC, which invest in unaffiliated instruments. Stash Investments LLC reserves the right to change, in its sole discretion from time to time and without prior notice to clients: (i) the instruments available through the program that it deems appropriate to address the investment objectives, investment time horizons, and risk tolerances of its clients; (ii) the Discretionary Managed Accounts available through the program that it deems appropriate to address the investment objectives, investment time horizons, and risk tolerance of its clients; (iii) the automated selected investments that comprise each of the Discretionary Managed Accounts; and (iv) the relative weightings of the automated selected investments in the Discretionary Managed Accounts. You should understand that the platform currently relies solely on the questions relating to investment time horizon and risk tolerance in selecting automated selected investments, and that these factors are not weighted equally.

□ *What is your relevant experience, including your licenses, education and other qualifications?*

What do these qualifications mean?

- o Stash Investments LLC's Investment Committee is made up of highly skilled individuals with an average of over 15+ years of experience in financial services. The Committee is a standing committee appointed by Stash Investments LLC comprised of senior level employees and/or independent advisor(s) who collectively perform three primary functions: (a) evaluate and approve new investments to be offered to clients, (b) evaluate the suitability of existing investment options and determine whether an investment should continue to be offered, and (c) evaluate and approve the investment tools, account types recommended to clients, as well as other financial advice otherwise offered on our platform.
- o All of the traders at Stash Capital LLC have the necessary Series Exam licenses to trade for the firm. These licenses include the SIE Exam, Series 7 Top-off Exam (previously combined to be the Series 7), Series 63 or Series 66, and Series 57. These qualifications mean that our traders have the knowledge to perform as a securities trader.

□ *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?*

- o The subscription tier you choose (Beginner, Growth, or Stash+) will determine the cost of the wrap fee you will pay.
 - Beginner - \$1/month wrap fee

- \$12 total for annual wrap fees
- \$9,988 available to be invested
- Growth - \$3/month wrap fee
 - \$36 total for annual wrap fees
 - \$9,964 available to be invested
- Stash+ - \$9/month wrap fee
 - \$108 total for annual wrap fees
 - \$9,892 available to be invested

We require clients to deposit at least \$0.01 to open a Personal Investment Account (Brokerage). Custodial (UTMA/UGMA) and Retirement (Roth and Traditional IRA) Accounts require a minimum of \$1 to be opened. Discretionary Managed Accounts require a minimum of \$5 to be opened.

- o There are additional fees and costs that may be applied to your account. A full list of fees and costs that may apply to you and your account can be found in our [Form ADV Part 2](#).

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

- o Stash Investments LLC offers Non-Discretionary Managed Accounts and Discretionary Managed Accounts as an investment adviser and Stash Capital LLC serves as the introducing broker for Stash Investments LLC clients with Non-Discretionary Managed Accounts and/or Discretionary Managed Accounts. Due to the nature of our business, the way that we make money creates some conflicts with your interest. Stash Investments LLC does not allow such conflicts to prevent Stash Investments LLC from exercising our judgment in your best interest. Stash Investments LLC has, by law, a process for evaluating and identifying potential and actual conflicts with respect to the services and products we provide to you. This process is completed on an ongoing basis and can change as our products and services change. We endeavour to eliminate or mitigate these conflicts when possible, or provide you with a full and clear disclosure of these conflicts. The following is not a full list of the conflicts of interest. Full disclosure of the conflicts can be found in our [Form ADV Part 2](#).
 - Sweep program: All clients with Non-Discretionary Managed Accounts and/or Discretionary Managed Accounts are automatically enrolled in the Apex Clearing Corporation (“Apex”) FDIC-insured Sweep Program, which earns interest. Generally, a portion of the interest earned is paid to Stash Investments LLC and/or Stash Capital LLC for various administrative services Stash Capital LLC may provide for the program.
 - Securities lending program: Stash Capital LLC offers the ability for Personal Investment Accounts (Brokerage) to enter into the securities lending program. Discretionary Managed Accounts, Custodial (UTMA/UGMA), and Retirement (Roth

and Traditional IRA) Accounts do not participate in the securities lending program. For clients who have elected to participate in the program, their Personal Investment Accounts (Brokerage) are enrolled once they meet certain criteria. Under this arrangement, you agree to loan securities held in your Personal Investment Account (Brokerage) to a financial institution in exchange for income from the lending arrangements by collecting finance charges on the loans. These returns are shared between you, Stash Capital LLC, and Apex. There exists counterparty risk that the borrower of the securities or Apex could default, which would necessitate the liquidation and distribution of the collateral. You can request to be removed from the securities lending program.

- Affiliates: Stash Investments LLC uses and recommends the services of its affiliates in connection with our investment advisory services. Stash Investments LLC shares resources with its affiliates and will delegate certain services for your accounts to these affiliates. These services may include brokerage services, customer technical support, and marketing functions. Stash Investments LLC's affiliates will keep any compensation when providing these services to you, as subject to applicable laws.
- Third Parties: Stash Investments LLC earns revenue from third parties in connection with the services those third parties provide. These services are not investment advisory services and creates conflicts of interest for Stash Investments LLC in performing its services as an investment adviser. These conflicts include:
 - Stash Debit Card, where Stash Investments LLC earns a portion of the revenue generated by Stash Debit Card activity via fees.
 - Stash Investments LLC may partner with third parties to offer promotions, benefits, and other rewards programs to you through our platform. We may receive benefits in the form of compensation or other considerations from these third parties at no cost to you. We may, at times, recommend the securities of these third party partners to you, which creates a conflict of interest between Stash Investments LLC and you, the client.
- Non-Investment affiliated entities: Stash Financial Inc. also owns Stash Insurance Services LLC, a licensed life insurance broker and property and casualty insurance broker, and Stash Cash Management LLC. Both Stash Insurance Services LLC and Stash Cash Management LLC are non-investment entities. Certain members of Stash Investments LLC's management personnel also hold positions within one or more of these affiliated entities. As such, they may have some responsibility with respect to the business of these affiliated entities. As a consequence of carrying out their roles at Stash Investments LLC and these affiliated entities, these management persons will be subject to potential conflicts of interest between Stash Investments LLC and these affiliates. Stash Investments LLC has restrictions, policies, procedures, and disclosures in place that are designed to address potential and actual conflicts between our affiliates.

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

- o No. Stash Investments LLC and Stash Capital LLC do not have material legal or disciplinary events to disclose related to Stash Investments LLC, Stash Capital LLC, or any of our financial 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?*

- o The primary contact you will have with Stash is via our customer service. Our customer service representatives are not representatives of our investment adviser, Stash Investments LLC, or broker-dealer, Stash Capital LLC. Customer service may work with various departments within Stash to assist you depending on your question or concern. You can ask additional questions online at <https://ask.stash.com>, email support@stash.com or call (800) 205-5164 with any questions or concerns you have regarding your account and our services.