



## Customer Relationship Summary Effective November 22, 2024

tZERO Digital Asset Securities, LLC (“tZERO”, “we,” “our,” or “us”) is a special purpose broker-dealer registered with the U.S. Securities and Exchange Commission (“SEC”) and a member of the Financial Regulatory Authority (“FINRA”) and the Securities Investor Protection Corporation (“SIPC”). **Digital asset securities may not be “securities” as defined under the Securities Investor Protection Act (SIPA)—and in particular, digital asset securities that are “investment contracts” under the Howey test but are not registered with the SEC are excluded from SIPA’s definition of “securities”—and thus the protections afforded to securities customers under SIPA may not apply.** Brokerage and investment advisory services and fees differ; and it is important that you 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.

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

tZERO operates in accordance the U.S. Securities and Exchange Commission’s statement, dated December 23, 2020, regarding the Custody of Digital Asset Securities by Special Purpose Broker-Dealers. Our business is limited to providing custody, clearance and settlement services for those digital asset securities that may be traded on our affiliated alternative trading system, the “tZERO Securities ATS”. We do not offer any services relating to traditional securities, meaning securities other than digital asset securities. A “digital asset security” means a digital asset that meets the definition of a “security” under the federal securities laws. The term “digital asset” refers to an asset that is issued and/or transferred using distributed ledger or blockchain technology (“distributed ledger technology”), some of which are referred to as “virtual currencies,” “coins,” and “tokens.” A digital asset that is not a security is referred to herein as a “non-security digital asset.” We do not offer services relating to “non-security digital assets.” The Account you open is a cash account and no margin will be provided through your cash account. The decision to own a digital asset security is solely your choice. We do not offer advice, make recommendations or make strategies involving securities or securities accounts to investors. We do not monitor your account or individual investments. We do not make available or offer advice with respect to any products including but not limited to proprietary products, or a limited menu of products or types of investments. Other than our customer due diligence, anti-money laundering and related customer on-boarding procedures, we do not have any requirements for investors to open or maintain an account or establish a relationship with us, such as minimum account size or investment amount. We also do not trade securities for our own account. We do advertise and market our services via our website, email and other media platforms. **FOR ADDITIONAL INFORMATION PLEASE SEE TZERO’S CUSTOMER AGREEMENT OR BY CONTACTING US AT (855) 421-0638 OR SUPPORT@TZERO.COM.**

#### 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?*

Responses to these questions can be found [here](#).

### What fees will I pay?

We will not charge you custodial or account maintenance fees. Other fees for transfers or administrative services may apply in certain cases.

**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. MORE DETAILED INFORMATION ABOUT YOUR FEES AND COSTS CAN BE FOUND IN tZERO’S FEE SCHEDULE, AVAILABLE BY CONTACTING US AT (855) 421-0638 OR SUPPORT@TZERO.COM.**

#### 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?*

Responses to these questions can be found [here](#).

**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?**

tZERO does 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 services we provide you. Here are some examples to help you understand what this means.

We and our affiliates have an interest in the growth and widespread adoption of digital asset securities. The roles played by our affiliates in the growth and widespread adoption of digital asset securities are as follows:

- tZERO Securities, LLC operates the tZERO Securities ATS, which will be the only available trading venue for the digital asset securities we custody. tZERO Securities, LLC may also act as the broker-of-record or placement agent for a digital asset securities offering.
- tZERO Technologies, LLC offers technology services to issuers and market participants relating to digital asset securities, including those that we custody.
- tZERO Transfer Services, LLC may serve as the transfer agent and/or provide capitalization table management services to issuers of digital asset securities, including those that we custody.
- Verify Investor, Inc. provides services to issuers to verify that their investors are “accredited investors.”

**Conversation Starters**

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

Responses to these questions can be found [here](#).

**How do your financial professionals make money?**

tZERO professionals receive fixed salaries and may receive discretionary bonuses that are based on their overall job responsibilities and performance. tZERO professionals are not solely compensated based on the amount of client assets they service; the time and complexity required to meet a client's needs; the product sold (i.e., differential compensation); product sales commissions; or revenue tZERO earns from the financial professional's advisory services or recommendations.

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

No. Visit [www.investor.gov/CRS](http://www.investor.gov/CRS) for a free and simple search tool to research us and our financial professionals.

**Conversation Starters**

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

Responses to these questions can be found [here](#).

For more information about our services or financial professionals or to request an up-to-date version of this Form and our Written Responses, please call (855) 421-0638 or email [support@tzero.com](mailto:support@tzero.com).

**Conversation Starters**

*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?*

Responses to these questions can be found [here](#).