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Wrap Fee Program Brochure

**March 28, 2024**

This wrap fee program brochure provides information about the qualifications and business practices of Stash Investments LLC, doing business as or otherwise known as Stash ("Stash"), related to the wrap fee program sponsored by Stash, an online investment advisory program. Clients of the firm may be referred to as "the Client," "you," "your," collectively "Clients," or similar. If the Client has any questions about the contents of this brochure, please call Stash at (800) 205-5164 or email Stash at [support@stash.com](mailto:support@stash.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority. Stash is an investment adviser registered with the SEC. Registration does not imply a certain level of skill or training.

Additional information about Stash is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 - Material Changes

This Wrap Fee Program Brochure ("Brochure") is intended to provide potential and existing Clients with an overview of Stash. It also contains important disclosures regarding items such as certain practices of Stash, potential material conflicts of interest, and key potential investment risks.

Stash periodically revises its brochure to improve and clarify the description of its and its affiliates' business and compliance practices or in response to evolving industry and firm practices.

The following material changes have been made to Stash's Brochure since the last update dated December 14, 2023:

- Clarified minimum account opening and maintenance requirements for the Discretionary Managed Accounts (**Item 5- Account Requirements and Types of Accounts**)
- Updated information related to *Fee Arrangements with Apex* (**Item 9- Additional Information- Trade Handling**)

Additional information about Stash, including a full copy of the current brochure, is also available on the SEC's website ([www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)).

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**Important Information:** Throughout this Brochure, Stash Investments LLC shall also be referenced by its business name “Stash,” or “the firm,” “our,” “we,” or “us.” In addition, the term “advisor” and “adviser” are used interchangeably.

## Item 4 - Services, Fees and Compensation

### Introduction

Stash is an investment adviser registered with the SEC. The primary focus of Stash is to provide investment advisory services (both personal and impersonal), including a wrap fee program and financial counseling, which are offered to Clients as well as to prospective clients of the firm via web-based solutions and online informational resources. Stash helps Clients build smart financial habits and manage wealth by providing financial education, tools, and guidance, and simplifying and optimizing the way Clients save and invest. Stash is registered with the United States Securities and Exchange Commission ("SEC") and provides all investment advisory services exclusively through virtual interaction conducted over the Internet. Stash does not offer tax, accounting, or legal advice.

Stash is a privately held company headquartered in New York, New York. Stash's predecessor, Stash Financial, Inc. (formerly known as Collective Returns, Inc.), a privately held digital financial services company offering financial products for U.S. based consumers ("Stash Financial"), was founded in October 2015. Stash was formed in August 2017, acquired all of the assets and liabilities of the investment advisory function of Stash Financial, and continued the investment advisory business as its wholly owned subsidiary. Information about Stash's organizational and ownership structure, as described in more detail further below, and its directors is provided on Part 1 of Stash's Form ADV which is available online at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Interested parties may access our website at [www.stash.com](http://www.stash.com) where they are offered our current Brochure and Relationship Summary that describes the firm, its services, potential fees, etc., as well as any material conflicts of interest that could be reasonably expected to impair the rendering of unbiased and objective advice. Our privacy policy is also provided for reference on our website. The Brochure, Relationship Summary, and the privacy policy are available to interested parties for their download and/or printing.

### Referrals to Third Party Professionals

Stash and/or its affiliates may, from time to time, provide a referral to other unaffiliated third party professionals ("Third Party Professionals"). Unless otherwise indicated by Stash in writing, Stash does not undertake to, nor does it perform, specific due diligence regarding Third Party Professionals and such referrals do not constitute recommendations by Stash of the Third Party Professional or their services. Services provided by Third Party Professionals are distinct from those provided by Stash and its affiliates and additional terms of service may apply. Third Party Professionals may be different from the service providers that Stash and its affiliates use to provide the same or similar services due to regulatory limitations or other reasons.

### Program Description

This Brochure describes the wrap fee program offered by Stash that bundles or "wraps" non-discretionary ("Non-Discretionary Managed Accounts") and discretionary ("Discretionary Managed Accounts") investment advisory services, brokerage, custody, clearing and settlement, as well as other administrative services together and charges a single inclusive fee (such program, the "Program"). The Program is designed to

educate Clients to spend less than they earn, pay bills on time, save cash for emergencies, and for Clients with a Stash Account (as defined below), the Program is also designed for such Clients to invest regularly, diversify and think long-term, and insure their assets and themselves. By partnering with Clients to support them in creating healthy financial habits and for Clients with a Stash Account (as defined below), building well balanced, diversified portfolios that incorporate goals, interests, and beliefs, the Program encourages long term, sustainable ownership and growth of financial capital.

Based on the information the Client provides on the Platform (as defined below), Stash uses the Platform to provide the Client with investment advice concerning (i) various publicly traded securities, including exchange traded funds ("ETFs"), shares of stock of publicly traded companies and/or American depositary receipts ("Single Stocks"), and/or similarly traded instruments and specific information pertaining to such securities, which are determined without taking into consideration any Client's specific facts and circumstances and thus are impersonal investment advice intended to provide Clients with information regarding a broad array of publicly traded securities and allow Clients to construct portfolios consistent with their own needs and objectives; (ii) groupings of one or more platform investment(s), and/or portfolios determined by taking into consideration each Client's specific facts and circumstances and thus are personalized investment advice; (iii) a suite of tools that uses qualitative and/or quantitative inputs to analyze, rank, and/or otherwise distinguish publicly traded securities and/or portfolios of such securities based on various investment characteristics and/or factors according to research conducted by Stash, its affiliates, and/or third-party service providers to (a) assist with a Client's processes for securities, portfolio, and account type selection and/or monitoring and to help Clients evaluate Investments and/or (b) recommend certain Investments (as defined below) to Clients based on Client Information, to the extent the Clients open a Stash Account, and thus is personalized investment advice; and/or (iv) only for Discretionary Managed Accounts, automated discretionary investment advice in the form of portfolio management of one or more selected ETFs and/or similarly traded instruments; and/or (v) the Financial Counseling Service.

Stash interacts with Clients primarily through a technology platform developed and maintained by Stash's parent company, Stash Financial, Inc. (doing business as "StashInvest"), that is available through Stash's website and mobile applications (collectively, the "Platform"). The Program provides investment advice (both personal and impersonal) and delivers advisory services to Clients through the Platform. Stash does not generally provide investment advice in person, over the phone, live chat, or in any other manner other than through the advisory services available on the Platform or automated emails. Stash's parent company, Stash Financial, provides technology, marketing, technical, and back-office support for the Program.

Each Client must enter into an investment advisory agreement with Stash ("Advisory Agreement"), that discusses the services the Client will receive, the fees charged to the Client, and the conditions of the Client's relationship with Stash. Information provided to the Client before we accept the Advisory Agreement does not constitute investment advice under the Investment Advisers Act of 1940, as amended (the "Advisers Act"), and should not be relied on as such.

Clients electing to receive brokerage services pursuant to the Program are required to establish a brokerage account (such account, a "Stash Account") and enter into an agreement whereby Apex Clearing Corporation, a New York corporation and registered broker-dealer unaffiliated with Stash ("Apex"), will act as the clearing broker and qualified custodian for the Client's Stash Account, and Stash's affiliated broker-dealer, Stash Capital LLC ("Stash Capital"), will act as an introducing broker-dealer (such agreement, the "Customer Agreement"). Under the terms of the Customer Agreement, the Client authorizes Stash Capital to introduce all trades and transactions from Stash to Apex and authorize Apex to establish and carry the Client's Stash Account that holds the Client's securities and cash and records the Client's transactions in the Program. Stash

Capital may combine orders for purchases or sales for multiple advisory accounts.

Clients may receive Stash's advisory services pursuant to the Program without opening a Stash Account, or before a Stash Account has been established. In both cases the advisory services any such Client receives from Stash will be the Financial Counseling Service (which is impersonal) as defined and described further below. Additionally, Clients may continue to receive the Financial Counseling Service after any such Client's Stash Account has been closed.

## **Financial Counseling Service**

Stash provides certain components of the Program as either a distinct or supplemental investment advisory service to Clients (such service, the "Financial Counseling Service"). The Financial Counseling Service may include a range of financial information, education, analysis, advice, and recommendations offered on a limited scope basis. The Financial Counseling Service provided by Stash is impersonal in nature, which means that the advice, whether provided by written material or oral statements, is not tailored to the individual needs of a specific Client, or group of Clients, and does not purport to meet the objectives or needs of specific Clients or accounts (such impersonal investment advice that is provided to Clients as part of the Financial Counseling Service shall be deemed "Financial Counseling Advice"). Consequently, Stash does not rely on Client Information (as defined below) to provide the Financial Counseling Service. The Financial Counseling Service is provided to all Stash Clients. However, the type and delivery of Financial Counseling Advice provided to each Client by Stash may vary, as described in more detail below.

Clients that elect to purchase the Tier 1 Platform Tier Service receive access to the Financial Counseling Advice as it relates to one or more guides and educational materials about investing and financial planning for beginner investors, along with financial planning for retirement. Clients that elect to purchase the Tier 2 Platform Tier Service receive access to the Financial Counseling Advice as it relates to one or more guides and educational materials about investing and financial planning for families and access to the Market Insights Report (as described further below), along with the Financial Counseling Advice included in the Tier 1 Platform Tier Service. The Market Insights Report is a monthly report on financial markets, sectors, industries, and the economy. The Market Insights Report includes qualitative and/or quantitative analysis on financial markets.

The Financial Counseling Service will either supplement other investment advisory services made available to Clients or, on a limited basis, will be offered separately from the investment and brokerage services related to other investment advisory services made available through the Platform. The Financial Counseling Service is the only advisory service that will be provided to certain Clients by Stash unless such Clients elect to and are approved by Stash to open a Stash Account.

The Financial Counseling Service does not include brokerage services for Client assets and is not based on or meant to replace a comprehensive evaluation of any Client's entire financial circumstances. In such cases Stash will not place any trades on the Client's behalf, and the Client is fully responsible for determining whether, when, and by what means to implement any analysis and recommendations made available through the Financial Counseling Service and for making the Client's own investment decisions. The Client will be responsible for any fees and expenses incurred for such implementation.

Clients that are offered and elect to only receive the Financial Counseling Service from Stash complete a streamlined registration process and do not complete the Suitability Questionnaire, described further below. Such Clients are only required to (i) provide Stash with a name, date of birth, telephone number, home address, and email address; (ii) select a subscription plan; and (iii) agree to pay the Stash Fee.

## Investment Recommendations

The Program is designed to encourage healthy saving and investing habits and provide Clients exposure to capital markets. Through the Program, Stash offers access to automated guidance designed to help Clients save, invest, and learn about personal finance. As stated above, based on Client Information (as defined below) provided by the Client, Stash uses the Platform to provide investment advice to Clients with Stash Accounts with regard to publicly traded securities and/or portfolios of such securities, including unaffiliated ETFs, Single Stocks, and/or allocations of ETFs and/or Single Stocks (“Allocations”), which are developed by Stash (collectively, “Investments”). Stash also provides Clients with a Stash Account with the ability to earn interest on cash held in their Stash Account through the Apex FDIC-Insured Sweep Program (“Sweep Program”) in accordance with the [Sweep Program Terms and Conditions](#). Investments are selected such that Client portfolios may gain exposure to a broad range of companies, industries, economic sectors, geographic regions, social beliefs, and investment strategies. Stash’s process for selecting Investments (discussed in greater detail further below) is designed to help Clients build portfolios diversified across asset classes and risk-reward estimations. Stash reserves the right to change, in its sole discretion from time to time and without prior notice to Clients: (i) the number of Investments available through the Program that it deems appropriate to address the risk tolerances and investment time horizons of Clients; (ii) the ETFs and/or Single Stocks that comprise each of the Allocations; and (iii) the relative weightings of the ETFs and/or Single Stocks within each of the Allocations.

Clients with Stash Accounts who make contributions to their Non-Discretionary Managed Accounts and are responsible for directing purchases and sales of specific Investments in such accounts.

For a Client that elects to open a Stash Account, as part of the Program, Stash, through the Platform, will review the Client’s present financial situation (as the Client reports it through the Suitability Questionnaire as defined below), provide the Client with financial education content, provide the Client’s Recommendations (as defined below) based on the Client risk score, monitor and track the Client’s assets under management, and provide statements and confirmations for the Client’s Stash Account. Each Client that elects to open a Stash Account inputs personal information via the Client registration process (“Suitability Questionnaire”), which may include, but is not limited to, information about your identity, liquidity needs, age, e-mail address, physical address, location, nationality, citizenship, tax residency, financial situation, or other information which you supply through the Platform (“Client Information”).

Stash will periodically remind Clients to review and update their Client Information. Clients should promptly update their Client Information if there are any material changes. In addition, Stash shall have no liability for Client’s failure to promptly inform Stash of changes in Client’s financial and/or economic situation, Client’s investment objectives, or any restrictions Clients wish to impose that may affect the management of the assets in the Stash Accounts. If the Client feels any of the questions are unclear or the Client does not understand why the information is being sought, please contact us at (800) 205-5164. Clients should take care when inputting answers or information. If the Client enters inaccurate information, the resulting Recommendations may not be suitable for the Client.

Stash will not vote proxies on behalf of the Client’s Stash Accounts. Additionally, Stash will not render any advice with respect to voting of proxies solicited by or with respect to issuers. Clients may receive proxy materials directly from a third-party vendor on behalf of Stash and are responsible for voting the shares in their Stash Accounts. Further, when Stash receives notice of a vote regarding a corporate action, legal proceeding, or other related matter for a security in the Client’s Stash Account, Stash or a third party may forward such

notice to the Client's email, provided that the email address on file for the Client's Stash Account is valid. It shall be the Client's sole responsibility on whether to vote and how to vote and whether to engage in any legal proceeding.

Based solely on certain of the information provided by the Client via the Suitability Questionnaire, the Platform uses an algorithm to analyze such information ("Risk Score Algorithm") and provides the Client with access to curated Investments and general recommendations regarding financial habits, diversification, and portfolio construction (such Investments and general recommendations, "Recommendations"). While Stash is responsible for maintaining the Risk Score Algorithm, Stash does not override the Risk Score Algorithm to provide alternative Recommendations to any particular Client, whether based on any additional criteria provided by the Client, market and/or economic conditions, or otherwise. Clients should understand that the Risk Score Algorithm relies upon answers to questions relating to risk tolerance (i.e., a proxy for the Client's ability and willingness to lose some or all the assets in the Client's account in exchange for greater potential investment returns) and investment time horizon (e.g., a proxy for how long the Client expects to invest in order to achieve the Client's investment goal) provided through the Suitability Questionnaire and that such answers serve as inputs to the Risk Score Algorithm, which generates a risk score that coincides with certain Recommendations. However, Clients should also understand that Stash does not utilize the entirety of all information provided by the Client in providing personalized investment advice. Stash does not consider any additional information about the Client not covered in the Suitability Questionnaire in making Recommendations. Stash's Recommendations are designed to help promote diversification and long-term growth as appropriate within the context of Client-specific risk tolerance and investment time horizon.

Stash generally adjusts its Recommendations from time to time in response to or in anticipation of changing market conditions and other factors. We will make Recommendations for Stash Accounts based on a combination of the risk tolerance and investment time horizon of each Client. For example, more conservative risk scores are typically associated with Recommendations that result in a greater percentage of assets allocated to fixed-income and cash asset classes, rather than to the equity asset class. However, more aggressive risk scores are typically associated with Recommendations that result in a greater percentage of assets allocated to the equity asset class, rather than to fixed-income and cash asset classes. The Client should carefully consider the Recommendations.

When participating in the Program, Clients with Non-Discretionary Managed Accounts are limited to the purchase of Investments made available to them through the Platform; however, Clients are not required to follow all Recommendations. Clients with Non-Discretionary Managed Accounts may, subject to certain restrictions, implement investment decisions and/or strategies via the Platform that do not coincide with the Recommendations. Furthermore, Clients may cause the Risk Score Algorithm to generate Recommendations based on a different set of investment characteristics including risk tolerance, objectives, and/or time horizon at any time by revising the information they provide through the Suitability Questionnaire. The Risk Score Algorithm is solely responsible for determining the Recommendations provided to each Client based on information provided by the Client.

Clients should carefully review and consider the information available on the Platform about each Recommendation, in any applicable ETF prospectus, and in any applicable public company filing or report before making any investment decision. Clients may impose reasonable investment restrictions on the management of the Client's Stash Account by means of the Client's own investment discretion. Such restrictions may result in a Client's Stash Account being concentrated in one or a few sectors, industries, or securities. Concentrated positions typically increase the risk and volatility of the Stash Account and may result in a less diversified portfolio. Clients that implement an investment decision that is outside the scope of the



Recommendations should understand that such a decision may not be appropriate based on the Client's risk score and that the Client's portfolio may perform worse over any time horizon than a portfolio designed according to the Recommendations.

Stash's investment advice is primarily based on the following principles: (i) equities, as an asset class, generally have a high probability of outperforming other broadly accessible and liquid asset classes in the long term, (ii) adjusted for fees, low cost passive investing (e.g., beta strategies), implemented using low-cost index based ETFs, generally outperform high cost (e.g., alpha-seeking) active funds, (iii) fixed income assets hedge portfolios against equity drawdown (i.e., negative returns), (iv) diversification across asset classes reduces the volatility of investment performance, and (v) adapting investment advice to an investor's emotional biases and personal beliefs results in a greater commitment to consistent investing on the part of the investor.

Stash employs a variety of methods and approaches when considering Investments and making Recommendations. Furthermore, when selecting and monitoring Investments, Stash considers a number of qualitative and quantitative factors. Stash's primary sources of information for such considerations include, among others, data provided by third-party data providers and Client portfolio information from Apex, the third party custodian for Stash Accounts.

The ETFs made available through the Program represent exposure to a broad array of strategies (e.g., conservative, modest, aggressive balanced risk funds), asset classes (e.g., small-cap, mid-cap, and large-cap US equities, fixed income, real estate, commodities), industries (e.g., healthcare, defense, consumer), and social beliefs (e.g., millennials, water focused, environmentally focused). In Stash's due diligence and analysis process, Stash focuses its evaluation on long-term issues related to the management of each ETF, both qualitative and quantitative. Qualitative factors may include fundamental changes in a manager's investment philosophy, organizational structure (e.g., manager tenure), and financial condition (including any significant changes in total assets under management). Quantitative factors may include adherence to fund objectives, performance, volatility, liquidity, and expenses. No single factor will determine whether an ETF should be added, retained, or eliminated; however, certain factors may carry more weight than others in Stash's final analysis.

Portfolio Diversification Analysis is available only for taxable brokerage accounts. Portfolio Diversification Analysis examines a Client's portfolio and calculates a diversification score given your risk profile, the appropriate asset allocation given your risk level, and your current portfolio composition while recommending various ways to achieve further diversification.

With respect to the Single Stocks made available through the Program, Stash employs data-driven quantitative analysis and/or a combination of quantitative and qualitative analysis in order to implement the review and selection of Investments. Single Stocks are equity securities that are issued by companies representative of the U.S. stock market and economy, that are highly liquid and actively traded on U.S. national stock exchanges, and that collectively represent a wide distribution of market betas when considering all of the Single Stocks made available through the Program. However, no single factor will determine whether a Single Stock should be added, retained, or eliminated, and certain factors may carry more weight than others in Stash's final analysis.

As part of the analysis and review process, Stash may add, remove, re-categorize or replace Investments available under the Program. In the event an Investment is removed, it will no longer be available for additional investing. In the event an Investment is removed and replaced with another substantially similar Investment, Stash may liquidate Client positions to cash and recommend reinvestment in the replacement Investment. In the event an Investment is re-categorized from a suitability standpoint, the Investment will no

longer be recommended to the Client and may be liquidated to cash.

The ETF or Single Stock shares purchased or sold on behalf of a Client and/or held in a Stash Account may be either whole shares or fractional shares, depending upon the amounts a Client invests in any ETF or Single Stock. Stash enables Clients to invest in dollar-based quantities, whereby a Client can buy a fixed dollar amount rather than a quantity of shares. Stash aggregates all dollar-based purchases, and Stash Capital introduces whole share orders to Apex for execution. Thereafter, Stash allocates the fractional shares to individual Stash Accounts. To the extent that Stash Capital trades fractional shares of any ETF or Single Stock on behalf of Clients, it does so by allocating any excess fractional shares to Stash's fractional facilitation account carried by Apex, and Stash in turn accumulates fractional shares and manages its fractional facilitation account through trades in whole share quantities in accordance with Stash and Apex's policies and procedures as they pertain to the management of such accounts and positions. Stash, Stash Capital, and Apex each reserves the right, at any time and each in its sole discretion, without prior notice to Clients, to change the details of the policies and procedures governing the mechanics of trading fractional shares, including, without limitation, allocation calculation and rounding procedures. Fractional shares are typically unrecognized and illiquid outside of a Stash Account and, as a result, fractional shares may not be marketable or transferrable to another brokerage account. In the event of a liquidation or transfer of the assets in a Stash Account to another account, Stash may convert such fractional shares to cash.

### Sweep Program

Generally, free credit balances, including any cash balances and funds pending for investment, in a Stash Account are automatically invested or "swept" daily, or at such other interval as determined by Apex, into one or more bank deposit accounts in accordance with the Sweep Program described in the [Sweep Program Terms and Conditions](#) available on the Stash website at <https://www.stash.com/disclosurelibrary>. Cash provides liquidity and preservation of capital. The Client's cash is held in an FDIC-insured interest-bearing bank account at one or more banks participating in the Sweep Program. Clients should check their Apex account statements for the applicable interest rate.

As described in the Advisory Agreement, Clients are automatically enrolled in the Sweep Program. The Sweep Program earns interest and a portion of the amount earned is paid to Clients, Stash Capital (Stash's affiliated broker-dealer), and Apex Clearing. Stash Capital may provide various administrative services with respect to the assets participating in the Sweep Program and is compensated for these services. Due to the additional economic benefit to Stash Capital, when assets in the Client's Stash Account are subject to the Sweep Program a conflict of interest exists. Additional information about Stash's conflicts of interest, as well as the benefits Stash receives is noted in greater detail in Item 9 of this Brochure.

For the services provided by Stash under the Advisory Agreement, and the custodial and brokerage services provided by the custodian and the broker under the Customer Agreement (if any), the Client agrees to pay a "per-account" or "per-tier" fee in order to establish and maintain one or more individual accounts (the "[Stash Fee](#)").

### Dividend Reinvestment

Clients may elect to participate in the dividend reinvestment feature for their taxable brokerage account to reinvest dividends.

### Retirement Accounts

When Stash acts in an investment advisory capacity, it has a fiduciary obligation to act in its Client's best interests in accordance with the Advisers Act. Fiduciary status under the Advisers Act is different from fiduciary status under other laws, including the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), or the Internal Revenue Code of 1986, as amended (the "IRC"). Therefore, the fact that Stash may be acting as a fiduciary under the Advisers Act does not mean that it is a fiduciary under any other law.

Stash may, in its sole discretion, impose limitations on the investment services and strategies that are available to Individual Retirement Accounts ("IRAs") and Roth IRAs, collectively, ("Retirement Accounts"), including, but not limited to, the Apex Fully-Paid Securities Lending Program ("Securities Lending Program") and the Sweep Program. If a Client maintains both Retirement Accounts and Stash Accounts other than Retirement Accounts, any advice or recommendations made by Stash for a Stash Account that is not a Retirement Account does not apply to and should not be used by the Client for any decision made by a Retirement Account, which may present different considerations.

Before deciding to roll over a Retirement Account, you should consider your personal circumstances and needs. If you are considering moving from one account to another, you typically can decide among a number of options such as: (i) keep the assets in the existing plan or account, (ii) roll over the assets to your new employer's plan (if applicable), (iii) and/or roll over the assets to an IRA. These options may offer different benefits and drawbacks in the context of your overall planning and retirement goals. Some general considerations include fees and expenses, available investment options, distribution rules including required minimum distributions, tax considerations, protection from creditors and legal judgments, differences in service levels, and other factors that may be specific to your circumstances. Any communications by Stash to you about rollovers are provided to you solely on the basis that they are educational and intended to provide you with general information that does not address your specific personal circumstances. They are not intended to be an individualized recommendation that you take any particular action.

For purposes of Stash's status as a fiduciary under the Internal Revenue Code, Stash does not provide advice, make recommendations, enroll, or otherwise assist IRAs in participating in any investment program or vehicle wherein Stash or any of its affiliates receives a share of revenue of the program or vehicle in addition to the Stash Fee (for example, in connection with any money market or bank sweep programs offered through the custodian) where prohibited by law.

## Risk Factors

The below summary of risk factors does not purport to be a comprehensive discussion of all the risks associated with a Client's specific Stash Account. Rather, it is a general description of certain risks inherent in the Program. Clients should refer to Client's Advisory Agreement and the prospectuses and shareholder reports for the ETFs and Single Stocks offered through the Program for additional information.

***Stash does not guarantee any level of performance or that any Client will avoid losses in the Client's Stash Account(s). Any investment in securities involves the possibility of financial loss. When evaluating risk, financial loss may be viewed differently by each Client and may depend on many different risk factors that change over time. Clients need to understand that investments in Stash Accounts are subject to various market, volatility, liquidity, asset-specific, and other risks inherent in investing. The investment decisions Clients make based on Stash's advisory services will not always be profitable nor can Stash guarantee any particular level of investment performance. Clients should remember that past performance is no guarantee of future results. All investments carry some level of risk. Clients may lose some or all of the money they invest, including the principal, and should be prepared to bear the loss of assets invested.***

### Reliance on Technology

The techniques and methodologies utilized by Stash in offering investment advice are fundamentally dependent on technology, including hardware, software and telecommunications systems. The data gathering, research, forecasting, Recommendation generation, order execution, trade allocation, risk management, operational, back office and accounting systems, among others, utilized by Stash are all highly automated and/or computerized. Such automation and computerization are dependent upon an extensive amount of proprietary software and third-party hardware and software. Stash typically does not utilize design documents or specifications when building its proprietary software. The proprietary software code thus typically serves as the only definitive documentation and specification for how such software should perform.

Stash's proprietary software and third-party hardware and software are known to have errors, omissions, imperfections and malfunctions (collectively, "Coding Errors"). Coding Errors in third-party hardware and software are generally entirely outside of the control of Stash.

Stash, however, seeks to reduce the incidence and impact of Coding Errors through a certain degree of internal testing and real-time monitoring, and the use of independent safeguards in the overall Platform and often, with respect to proprietary software, in the software code itself. Despite such testing, monitoring and independent safeguards, Coding Errors may result in, among other things, the generation of unanticipated Recommendations, the failure to execute trades in a timely fashion, and/or the failure to properly gather and organize available data, all of which can and may have adverse (and potentially materially adverse) effects on Stash Accounts and/or the Client's performance.

Coding Errors are often extremely difficult to detect, and, in the case of proprietary software, the difficulty of detecting Coding Errors is exacerbated by the lack of design documents or specifications. Regardless of how difficult their detection appears in retrospect, some of these Coding Errors may go undetected for long periods of time and some may never be detected. The degradation or impact caused by these Coding Errors can

compound over time. Moreover, Stash may detect certain Coding Errors that it chooses, in its sole discretion, not to address or fix. While Stash may not perform a materiality analysis on many of the Coding Errors

discovered in its software code, Stash believes that the testing and monitoring performed on such software will enable Stash to identify and address those Coding Errors that a prudent person managing a digital investment program would identify and address by correcting the Coding Errors. Clients should assume that Coding Errors and their ensuing risks and impact are an inherent part of investing with a digital investment adviser such as Stash. Accordingly, Stash does not expect to disclose discovered Coding Errors to the Clients.

Stash seeks, on an ongoing basis, to create adequate backups of software and hardware where possible but there is no guarantee that such efforts will be successful.

Further, to the extent that an unforeseeable software or hardware malfunction or problem is caused by a defect, security breach, virus or other outside force, Clients may be materially adversely affected.

#### Reliance on Data

The Program is highly reliant on the gathering, cleaning, culling and analysis of large amounts of data from third-party and other external sources. It is not possible or practicable, however, to factor all relevant, available data into generating Recommendations. Stash will use its discretion to determine what data to gather with respect to any Recommendation and what subset of that data the Platform takes into account to generate Recommendations. The data used in the Program is obtained or derived from sources believed to be reliable, but Stash does not verify such data and cannot guarantee its accuracy and completeness. In addition, due to the automated nature of such data gathering and the fact that much of this data comes from third-party sources, it is inevitable that not all desired and/or relevant data will be available to, or processed by, Stash at all times. In such cases, Stash often will continue to generate Recommendations based on the data available to it. Additionally, Stash may determine that certain available data, while potentially useful in generating Recommendations, is not cost effective to gather due to either the technology costs or third-party vendor costs and, in such cases, Stash will not utilize such data. Clients should be aware that, for all of the foregoing reasons and more, there is no guarantee that any specific data or type of data will be utilized in generating Recommendations, nor is there any guarantee that the data actually utilized in generating Recommendations will be (i) the most accurate data available or (ii) free of errors. Clients should assume that the foregoing limitations and risks associated with gathering, cleaning, culling and analyzing large amounts of data from third-party and other external sources are an inherent part of investing with a digital investment adviser.

The Platform also relies on information provided by Clients in generating Recommendations. The Recommendations are highly reliant on the accuracy of the information provided to Stash by Clients. If a Client were to provide Stash with inaccurate information, this could materially impact the quality and applicability of the Recommendations. In addition, the Recommendations are limited in scope to the questions Stash asks through the Suitability Questionnaire.

#### Statistical Measurement Error

Many of the techniques and methodologies employed by Stash in offering investment advice rely on patterns inferred from the historical series of prices and other data. Even if all of the assumptions underlying such techniques and methodologies were met exactly, the techniques and methodologies can only rely on an underlying prediction of future financial market behavior, not afford certainty. There can be no assurance that

future performance will match the underlying prediction. Furthermore, most statistical procedures cannot fully match the complexity of the financial markets and as such, results of their application are uncertain. In addition, changes in underlying market conditions can adversely affect the performance of any statistical technique or methodology.

### Cybersecurity Risk

The information and technology systems of Stash and its affiliates, as well as of key service providers, including third-party vendors, central agents, exchanges, clearing houses, and other financial institutions (including Apex), are vulnerable to potential damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes, and earthquakes. Stash, and thus indirectly the Stash Accounts, could be adversely impacted if any of the aforementioned parties is the subject of a cyber-attack or other information security event. Although Stash has (directly or through its affiliates) implemented various measures designed to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, it may be necessary for Stash or a service provider to make a significant investment to fix or replace them and to seek to remedy the effect of such issues. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in Stash's ability to transact business on behalf of Stash Accounts and result in a failure to maintain the security, confidentiality, or privacy of sensitive data, including personal information. While many investment advisers are subject to the same or similar risks in respect of their operations, these risks are particularly acute with respect to Stash due to Stash's fundamental dependence on technology.

### Diversification Risk

Stash Accounts may be concentrated in particular geographic areas, industries, sectors, exchanges, strategies, types of Investments, issuers, companies, or other shared characteristics. Any such concentration magnifies risks associated with the Investments held in such Stash Accounts, including the risk of significant losses. While using a diversified portfolio to reduce risk is a widely accepted investment principle, diversification cannot reduce risk to zero, and the returns on a diversified portfolio during any given time period may be lower than the returns on one or more Investments concentrated in a geographic area, industry, sector, strategy, type of Investment, issuer, company, or other shared characteristic that was profitable during that time period. In general, less diversification will tend to expose the applicable Stash Account to greater volatility and/or risk than would be the case with a more broadly diversified portfolio. Even if a particular Stash Account were diversified, however, there can be no assurance that such diversification would reduce volatility or risk.

Stash Accounts may not always be diversified across markets, industries, geographic areas, or asset classes. The negative impact on the value of the assets held in a Stash Account due to adverse movements in a particular economy or industry or in the value of particular Investments could be considerably greater than if the Program did not permit concentration in Investments to such a significant extent. If a Stash Account becomes concentrated in a limited number of Investments, such Stash Account's performance will not necessarily correlate with the performance of the markets on which Investments held by the Stash Account are traded. In such cases, any loss with respect to an Investment may have a significant adverse impact on the value of a Stash Account.

For Discretionary Managed Accounts, Stash will use the Platform to provide automated, discretionary investment advice for you based on certain Client Information that you provide. The Program does not consider

the entire range of information provided through the Platform for purposes of selecting the Automated Selected

Investments and managing Discretionary Managed Accounts. The Investments selected by Stash that comprise each of the Discretionary Managed Accounts shall be collectively referred to hereunder as “Automated Selected Investments.” 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. You agree to access and review through the Platform information identifying and describing the Automated Selected Investments at least annually. You may change your investment objectives and risk and financial parameters attributable to your Discretionary Managed Account at any time by revising your Client Information, which may generate changes to the set portfolio allocation of your Automated Selected Investments in your Discretionary Managed Account. Any such changes to your Discretionary Managed Account are subject to Stash’s review and approval. If such changes are approved by Stash, you acknowledge and agree that Stash will generate changes to the set portfolio allocation of your Automated Selected Investments in your Discretionary Managed Account that are consistent with your updated Client Information, and Stash will notify you of the timing of any such changes in accordance with your Advisory Agreement. You are not able to directly change your Automated Selected Investments, other than as expressly stated in the Advisory Agreement (for example, by imposing reasonable restrictions as permitted in your Discretionary Managed Account). While your Discretionary Managed Account may include investment advice that trades your holdings such that over time such holdings maintain close replication of a particular allocation, there is no guarantee, representation, warranty, or covenant that the holdings in your Discretionary Managed Account will match any particular allocation. Various factors (including the timing and frequency of deposits and withdrawals, market volatility and disruptions, fractional share allocation and trading procedures, the timing and frequency of Stash’s choice of or changes to holdings in your Discretionary Managed Account, access interruptions, and hardware or software failures) can impact the extent to which holdings in your Discretionary Managed Account will replicate any particular allocation at any particular point in time.

#### Risks Associated with Single Stocks

The value of Single Stocks fluctuates in response to issuing company, political, market, and economic developments. Fluctuations can be dramatic over the short as well as over the long term, and different parts of the market and different types of Single Stocks can react differently to these developments. For example, large cap stocks can react differently from small cap stocks, and “growth” stocks can react differently from “value” stocks. Issuing company, political, or economic developments can affect a single company, companies within an industry or economic sector or geographic region, or the market as a whole. There is a chance that stock prices overall will decline because stock markets tend to move in cycles, with periods of rising prices and falling prices. Changes in the financial condition of a single issuing company can also impact the market as a whole. A security’s market value also may decline because of factors that affect a particular industry, such as labor shortages or increased production costs and competitive conditions within an industry, or factors that affect a particular company, such as management performance, financial leverage, and reduced demand for the company’s products or services. Terrorism and related geopolitical risks have also led, and may in the future lead, to increased short-term market volatility and may have adverse long-term effects on world economies and markets generally.

#### Risks Associated with Newly Issued Securities

There are a variety of risk factors typically associated with investing in newly issued securities, any one of which may have a material and adverse effect on the price of the issuer’s common stock. Such risk factors include the following:

- *Issuer's Lack of Operating History:* An issuer that has recently engaged in an IPO or other public offering may be in the early stages of development with a history of little or no revenues and may operate at a loss following the offering. Such issuers are typically subject to the difficulties, uncertainties, and risks associated with the establishment of a new business such as manufacturing capability, limited production lines, lack of marketing expertise, the existence of more experienced or better capitalized competition, and reliance on a few large suppliers or customers.
- *Potential Volatility:* There can be no assurance that an active trading market will develop or be sustained following an IPO. Following an IPO, the market price for the securities may be subject to significant fluctuations in response to numerous factors such as lack of liquidity, general market volatility, and other factors unrelated to the operating performance of the issuer.
- *Additional Financing:* An issuer that operates at a loss or with limited cash flow following an IPO will generally be required to secure additional financing in order to fund its operations. If the issuer decides to issue additional equity securities, it is possible that their issuance will result in dilution of the interests of existing shareholders. To the extent that the issuer incurs indebtedness, the issuer will be subject to certain risks including interest rate fluctuations and inability to generate sufficient cash flow to make scheduled payments. In addition, indebtedness of an issuer is typically prioritized over common stockholders for purposes of distributing the issuer's assets in the event of bankruptcy. There is also the possibility that the issuer will be unable to locate financing on satisfactory terms or may be required to significantly curtail its operations.
- *Dependence on Key Personnel:* An issuer is often highly dependent on the services of key technical and management personnel and loss of their services could have a material adverse effect on the issuer's business or operations.
- *Proprietary Rights and Licenses:* Because many issuers depend on proprietary and/or licensed technology in their operations, their success is therefore closely related to their ability to obtain and enforce intellectual property protection for such technology. There exists the possibility that certain patents would not be sufficiently broad to protect key aspects of the issuer's or its licensor's technology, so that competitors would be able to duplicate the issuer's products or that patent laws would not provide effective legal or injunctive remedies to prevent infringement. Patents are also frequently challenged, invalidated, or circumvented by competitors; litigation of patent or infringement claims may result in substantial cost and diversion of resources.
- *Business Expansion:* Rapid and substantial demand for products may lead to delays in meeting delivery schedules. Such delays, if recurring, can increase the risk that customers will seek to meet all or a portion of their needs from the issuer's competitors. To the extent that the issuer seeks to expand to meet demand, the costs of doing so may be underestimated.
- *Dependence on Key Suppliers:* Some issuers rely significantly on a limited group of suppliers to obtain product components or materials. If an issuer is unable to obtain sufficient quantities or such components or materials fail to meet specifications, delays or reductions in shipments may result.
- *Dependence on a Limited Number of Customers:* An issuer's primary customer base may be limited to a



small number of customers, loss of any one of which could have a material adverse effect on the issuer's business and financial condition.

- *Competition*: Most issuers experience significant competition in their product lines from other companies, including larger companies, which have access to greater financial, technical, and other resources. It may be difficult for an issuer to continue to make investments necessary to maintain its competitive position.
- *Rapid Technological Change*: Issuers are subject to technological changes and are susceptible to the risk that future technologies will render those products or technologies obsolete. Such issuers may be unable to develop or introduce new products or enhancements to existing products and processes in a timely enough manner to achieve market acceptance or satisfy customer needs.

### Risks Associated with ETFs

ETFs are subject to the fees and expenses of the ETF, which may include a management fee, other fund expenses and a distribution fee. A Client's positions in ETFs are subject to a number of risks associated with the management and market conditions of the ETF. These include (but are not limited to):

- *Delisting*: An ETF may be delisted and liquidated at the discretion of its issuer. Should a Stash Account hold a position in an ETF when it is delisted, such Stash Account may be subject to costs associated with the ETF's liquidation, counterparty risk against the issuer, and additional taxes due to cash distributions from the liquidation.
- *Market Maker Instability*: The supply and demand of ETF shares are kept in balance by its authorized participants. The authorized participants of an ETF may, purposefully or by mistake, destabilize the supply-demand balance of an ETF, causing tracking error of the ETF to its constituent securities that may negatively affect the value of the ETF.
- *Hidden Illiquidity*: The liquidity of an ETF is determined not only by the ETF's own market liquidity but how easy or difficult it is to transact in the ETF's constituent securities. If one or more of an ETF's constituent securities becomes difficult to buy or sell, the ETF may become difficult to transact or experience tracking error that negatively affects the value of the ETF. As a result, the market price of ETF shares could experience significant premiums or discounts relative to the value of the assets underlying the shares.
- *Constituent Fluctuation*: Many ETFs attempt to track their underlying indices closely. However, the issuer may in its discretion temporarily introduce securities to the ETF that are not part of the index. This may introduce additional risks and tracking error that may negatively affect the value of the ETF.
- *Additional Taxation*: Depending on the ETF's structure, investors may be subject to additional taxation on distributions from ETFs.

### Risks Associated with Real Estate Related Securities

Real Estate Investment Trusts ("REITs") are subject to the risks incident to the ownership and operation of real

estate generally. Some of the risks associated with REITs are declines in the value of real estate, risks related to general and local economic conditions, dependency on management skill, heavy cash flow dependency, possible lack of availability of mortgage funds, overbuilding, extended vacancies of properties, increased taxes

and operating expenses, changes in zoning laws, losses due to costs resulting from the clean-up of environmental problems, liability to third parties for damages resulting from environmental problems, casualty or condemnation losses, limitations on rents, changes in neighborhood values, and the appeal of properties to tenants and changes in interest rates.

### Interest Rate Risks

Stash Accounts may be subject to interest rate risk in connection with the constituent debt securities of ETFs. Generally, the value of debt securities will change inversely with changes in interest rates. As interest rates rise, the market value of debt securities tends to decrease. Conversely, as interest rates fall, the market value of debt securities tends to increase. This risk will be greater for long-term securities than for short-term securities. Interest rate risks may include the directional movement in interest rates, correlation of rates, and volatilities of interest rates.

### Frequent Trading and Portfolio Turnover Risk

High turnover and frequent trading in a Stash Account could result in, among other things, higher transaction costs (including implicit transaction costs such as the bid–ask spread, market impact, opportunity costs, and trade delay costs) and, to the extent applicable, adverse tax consequences.

### Limited Nature of the Recommendations

In addition to the risks described in “Cybersecurity Risk” and “Reliance on Data” above and “Limited Nature and Scope of the Program” below, the use of algorithms such as the ones underlying the Recommendations carries the risk that changes to the algorithm’s code, although subject to compliance controls and quality assurance testing, may not have the desired effect with respect to Client accounts. While this risk increases if changes to an algorithm are insufficiently tested prior to implementation, even extensively tested changes may not produce the desired effect over time. The Platform relies on a limited universe of inputs to generate Recommendations for each Client from a limited universe of possible outputs. In particular, the Platform currently generates Recommendations based on a Client’s responses to the Suitability Questionnaire, in each case as provided by the Client through the Platform and does not verify the completeness or accuracy of such information or consider any information regarding outside assets, concentration, debt, or other accounts a Client may have with Stash, any of its affiliates, or with any third party. The Platform relies on this information regarding the Client’s risk tolerance and investment time horizon to generate Recommendations for the Client from a limited number of Investments, Allocations, and or general recommendations. The Platform assumes that each combination of relevant responses maps to a particular combination of Recommendations available in the Program. And each Client may, subject to the procedures and limitations described above, select any combination of Investments and/or Allocations made available to them through the Platform. The functionality of the Platform is partly dependent upon information provided by the third-party Custodian, Apex, and other external sources, meaning that performance of the Platform could be impacted by issues with the delivery or the accuracy of the information provided.

### Limited Nature and Scope of the Program

The Program does not provide comprehensive financial or tax planning or legal advice, and Clients are advised and afforded the opportunity to seek the advice and counsel of the Client's own tax, financial, and legal advisers. Neither Stash nor any of its affiliates is responsible for establishing or maintaining any Stash Account's compliance with the requirements of the IRC for a Traditional IRA or Roth IRA, or any other type of account that may be offered through the Program or determining any Client's individual tax treatment regarding such account. Furthermore, neither Stash nor any of its affiliates is responsible for withholding any tax penalties that may apply to Clients' Stash Accounts or for any state or federal income tax withholding, except as may otherwise be required by applicable law. Stash's Recommendations are limited based on the information Clients provide through the Platform, the limitations of which are further discussed above. Clients should take into consideration the limited nature of the Program in evaluating the Recommendations provided through the Platform. Furthermore, the Program: (a) is not a complete investment program; (b) does not account for multiple investment goals; (c) does not consider outside assets, concentration, debt, or other accounts a Client may have with Stash, any of its affiliates, or with any third party; (d) offers a limited number of Investments, Allocations, and general recommendations (e) may not be suitable for all investors; and (f) relies on the information provided by Clients in providing personalized investment advice, and does not verify the completeness or accuracy of such information. There could be one or more products available in the investment community that are more appropriate than the investment products made available through the Program. Given the inherent limitations of the Program, Clients should carefully consider whether the Program is the right investment solution for their savings and investing needs.

### Dependence on Key Individuals

Management of portfolios is dependent on the experience and expertise of the investment team. In the event of death, disability, or departure of any such persons, Stash's business could be adversely affected.

### Low Trading Volume Risk

Low trading volume risk is the exposure to the chance that a Client may not be able to monetize the Client's investment or will have to do so at a loss as a result of generally lower trading volumes of the Investments compared to other types of investments or financial instruments.

### Market and Volatility Risk

The value of the Investments held in a Stash Account may decrease (potentially dramatically). Generally, the market value of Investments may go up or down in response to the prospects of individual companies, particular sectors or governments and/or general economic conditions throughout the world due to increasingly interconnected global economies and financial markets. Price movements of Investments are also influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. In addition, governments from time to time intervene, directly and by regulation, in certain markets. Such intervention often is intended directly to influence prices and may, together with other factors, cause all such markets to move rapidly in the same direction because of, among other things, interest rate fluctuations. Investments are also subject to the risk of the failure of any of the exchanges on which they trade or of their clearinghouses.

## Operational Risk

Operational risk is the exposure to the chance of loss arising from shortcomings or failures in internal processes or systems of Stash, its affiliates, or Apex, external events impacting those systems, and human error. A Stash Account may suffer a loss arising from shortcomings or failures in internal processes, people systems, or from external events. Operational risk can arise from many factors ranging from routine processing errors to potentially costly incidents related to, for example, major systems failures.

Trade errors and other operational mistakes (“Operating Events”) occasionally may occur in connection with Stash’s management of Stash Accounts. Stash has policies and procedures that address identification and correction of Operating Events. An Operating Event generally is compensable by Stash to a Client when it is a mistake (whether an action or inaction) in which Stash has, in Stash’s reasonable view, deviated from the applicable investment guidelines or the applicable standard of care in managing a Stash Account, subject to the considerations set forth below.

Operating Events may include, but are not limited to, the following: (i) the placement of orders (either purchases or sales) in excess of the amount of Investments intended to trade for a Stash Account; (ii) the purchase (or sale) of an Investment when it should have been sold (or purchased); (iii) the purchase or sale of an Investment not intended for the Stash Account; and (iv) incorrect allocations of trades. Operating Events can also occur in connection with other activities that are undertaken by Stash and its affiliates, such as fee calculations, trade recording and settlement, and other matters that are non-advisory in nature.

Stash makes its determinations regarding Operating Events pursuant to its policies on a case-by-case basis, in its discretion, based on factors it considers reasonable, including regulatory requirements, contractual obligations, and business practices. Not all Operating Events will be considered compensable mistakes. Relevant factors Stash considers when evaluating whether an Operating Event is compensable include, among others, the nature of the service being provided at the time of the event, specific applicable contractual and legal requirements and standards of care, whether an applicable investment guideline was contravened, and the nature of the relevant circumstances.

Operating Events may result in gains or losses or could have no financial impact. Clients are entitled to retain any gain resulting from an Operating Event. Operating Events involving erroneous transactions in Stash Accounts generally are corrected in accordance with the procedures established by Stash, Stash Capital, and/or Apex.

When Stash determines that reimbursement by Stash is appropriate, the Client will be compensated as determined in good faith by Stash. Stash will determine the amount to be reimbursed, if any, based on what it considers reasonable guidelines regarding these matters considering all of the facts and circumstances related to the Operating Event. In general, compensation is expected to be limited to direct and actual losses, which may be calculated relative to comparable conforming investments, market factors and benchmarks and with reference to related transactions, and/or other factors Stash considers relevant. Compensation generally will not include any amounts or measures that Stash determines are speculative or uncertain.

## Financial Difficulties of Institutions and Custodians

There is a possibility that institutions, including brokerage firms and banks with which we do business, or to which securities have been entrusted for custodial purposes, will encounter financial difficulties that may impair operational capabilities.

### Order Execution Risk

Stash and its affiliated broker-dealer, Stash Capital, are authorized by each Client with a Stash Account to place and execute, respectively, transactions on such Client's behalf and at each Client's direction. Furthermore, Stash Capital is authorized by each Client with a Stash Account to introduce orders to Apex for clearance and settlement. Stash Capital executes securities transactions as soon as reasonably practicable after combining them into larger orders for aggregate transactions including transactions of other Stash Accounts under the Program. However, for numerous reasons there could be material delays in the amount of time it takes Stash, or Stash Capital, to execute each transaction. For example, Stash places orders to buy and sell securities on the behalf of all Clients with individual accounts, and only at the direction of such Clients other than Clients with Discretionary Managed Accounts, during distinct trading windows, during normal market trading hours. Stash generally places orders during four distinct trading windows; however, the frequency of these distinct trading windows may be limited during adverse market conditions or during shortened trading sessions or otherwise changed in Stash's sole discretion. There is no guarantee that any order a Client places will be executed during any particular trading window. The Program and the Platform are not designed to support real-time trading. Any delays in placing or executing transactions could reduce, perhaps materially, any profit earned in each Stash Account or could cause a material loss.

Stash Capital generally executes transactions by placing "market orders." A "market order" is an order to buy or sell an Investment immediately at the best available current price. Because market orders are executed immediately (as opposed to an order that specifies a target price at which the security should be bought or sold and remains open for a longer period of time, during which the price of the security may or may not hit the target price) market orders bear inherent risks, particularly in times of high volatility and for Investments that are thinly traded. This could result in Clients paying a higher purchase price or receiving a lower sale price when Stash places market orders on the Client's behalf. Stash may, at its discretion use other order types and conditions (e.g., time-in-force), as appropriate, to achieve best execution.

### Securities Lending Risk

Stash offers the ability for Clients with taxable brokerage accounts to participate in the Securities Lending Program. The Securities Lending Program is not currently offered for Discretionary Managed Accounts. Under this arrangement, Client's loan securities held in the Client's taxable brokerage accounts to counterparties in exchange for collateral. Clients may earn income from these arrangements by collecting finance charges on the loans. These returns are shared between Clients, Stash Capital, Stash's affiliated broker-dealer, 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. Additional information about Stash's conflicts of interest, as well as the benefits Stash receives is noted in greater detail in Item 9 of this Brochure.

### Regulatory Changes

It is possible that changes in applicable laws and regulations may affect Stash's operations. In addition, several substantial regulatory changes are pending or in the process of changing. However, the

consequences of additional regulation on the liquidity of markets and the functioning of the Program (and, possibly, on Stash itself) cannot be predicted and may materially affect the investment advisory services offered by Stash.

### Taxes

The Client is responsible for all tax liabilities and tax-return filing obligations arising from the transactions in the Client's Stash Account or any other investment advice offered by Stash. We do not, and will not, offer tax advice to the Client and we strongly encourage the Client to seek the advice of a qualified tax professional. The Client should also understand that we are not responsible for attempting to obtain any tax credit or similar item or preparing and filing any legal document (including, but not limited to, proofs of claim) on the Client's behalf. Rebalancing, liquidations, redemptions, and other changes to Investments available under the Program may cause the Client to recognize taxable gains or losses (and the Client may be obligated to pay other charges), and any other resulting tax liabilities and tax-return filing obligation will be solely the Client's responsibility.

### Epidemics, Pandemics, Outbreaks of Disease and Public Health Issues

Outbreaks of disease, epidemics, and public health issues, such as COVID-19 (and other novel coronaviruses), are likely to affect the operations of Stash and could affect the performance of clients' investments. In particular, COVID-19 has negatively affected (and may continue to negatively affect or materially impact) the global economy, global equity and fixed income markets and supply chains (including as a result of quarantines and other government-directed or mandated measures or actions to stop the spread of outbreaks). The impact of the COVID-19 pandemic may last for an extended period of time. Although the long-term effects of COVID-19 (and the actions and measures taken by governments around the world to halt its spread), cannot currently be predicted, previous occurrences of other epidemics, pandemics, and outbreaks of disease had material adverse effects on the economies, fixed income and equity markets and operations of those countries and jurisdictions in which they were most prevalent. The U.S. government and the Federal Reserve, as well as certain foreign governments and central banks, have taken extraordinary actions to support local and global economies and the financial markets. These government actions have resulted in a large expansion of government deficits and debt, the long-term consequences of which are not known. A recurrence of an outbreak of any kind of epidemic, communicable disease, virus or major public health issue could cause a slowdown in the levels of economic activity generally (or push the U.S. or local economies into recession), which would be reasonably likely to adversely affect the performance of Client investments and the operations of Stash.

### Other Catastrophic Risks

In addition to the potential risks associated with COVID-19 as outlined above, Clients, Stash, and its respective affiliates, may be subject to the risk of loss arising from direct or indirect exposure to a number of types of other catastrophic events, including without limitation (i) other public health crises, including any outbreak of SARS, H1N1/09 influenza, avian influenza, other coronavirus, Ebola or other existing or new epidemic diseases, or the threat thereof; or (ii) other major events or disruptions, such as hurricanes, earthquakes, tornadoes, fires, flooding and other natural disasters; acts of war or terrorism, including cyberterrorism; or major or prolonged power outages or network interruptions. The extent of the impact of any such catastrophe or other emergency on Stash's and/or a Client's operational and financial performance and each Client's investments will depend on many factors, including the duration and scope of such emergency, the extent of any related travel advisories and restrictions, the impact on overall supply and demand, goods and services, investor liquidity, consumer confidence and levels of economic activity, and the extent of its disruption to important global,

regional and local supply chains and economic markets, all of which are highly uncertain and cannot be predicted. In particular, to the extent that any such event occurs and has a material effect on global financial markets or specific markets in which a Client participates (or has a material effect on any locations in which Stash operates or on any of its personnel) the risks of loss could be substantial and could have a material adverse effect on Clients or the ability of Stash to fulfill its investment objectives on behalf of its Clients.

## **Fees**

As stated under Investment Recommendations, for the services provided by Stash under the Advisory Agreement, and the custodial and brokerage services provided by the Custodian and the Broker under the Customer Agreement (if any), the Client agrees to pay a “per-account” or “per-tier” fee to establish and maintain one or more individual accounts. For the avoidance of doubt, the Financial Counseling Service is a service provided by Stash under the Advisory Agreement and under the Program for all account types, and, accordingly, the Stash Fee as described herein is due upon receiving such services, whether or not the Client elects to open any individual account(s).

### **A. Per-Account Fees**

Unless the Client has elected to receive a Platform Tier Service, the Stash Fee is a “per-account” fee. The Stash Fee applicable to any Stash Account other than an IRA or Discretionary Managed Account is \$1 per month for such an account, regardless of the value of the Stash Account. The Stash Fee applicable to any IRA is \$2 per month, regardless of the value of the IRA. Clients may not open a Discretionary Managed Account on a “per account” basis. Discretionary Managed Accounts are only available to Clients that purchase a Platform Tier Service, as described below. Any discount in the Stash Fee, as compared to the Stash Fees as calculated on a per-account basis with respect to the individual Stash Accounts included therein, shall be allocated in its entirety to the IRA.

### **B. Tier Fees**

Stash currently offers services provided by Stash under the Advisory Agreement, and the custodial and brokerage services provided by the Custodian and the Broker under the Customer Agreement (if any), on a “tiered” basis (a “Platform Tier Service”). If the Client has elected to receive services through a Platform Tier Service, the Stash Fee is a “per-tier” fee, which may include one or more individual accounts. The amount of the Stash Fee applicable to a Platform Tier Service varies per type, as described below. There are currently two types of Platform Tier Services, referred to herein as Tier 1 and Tier 2, but which may vary by name; provided, however, that Stash may, in its sole discretion, selectively restrict the availability of one or more Platform Tier Services to new Clients to assess the impact on subscription rates for other Platform Tier Services. Any non-advisory services provided in connection with any of the Platform Tier Services are provided by one or more affiliates of Stash. Unless otherwise agreed by Stash in writing or through separate notice from a Stash affiliate, in cases where such non-advisory services are made available, such engagement does not result in an investment advisory relationship with Stash, and Stash has no corresponding fiduciary duty with respect to such services.

In the case the Client elects to purchase the Tier 1 Platform Tier Service, such service will include the Program as it relates to one taxable brokerage account, one IRA, and one Discretionary Managed Account. If the Client does not open any one of such account(s) or should any and all such account(s) be closed, the advisory services you will receive from Stash will only be the Financial Counseling Service. The amount of the Stash Fee charged for the Tier 1 Platform Tier Service is \$3 per month. Any discount in the Stash Fee, as compared to the Stash Fees as calculated on a per-account basis with respect to the individual Stash Accounts included therein, shall be allocated in its entirety to the IRA.

In the case the Client elects to purchase the Tier 2 Platform Tier Service, the Client will receive the Program as it relates to one taxable brokerage account, one IRA, one Discretionary Managed Account, and two UGMA/UTMA accounts. If the Client does not open any one of such account(s) or should any or all such account(s) be closed, the advisory services the Client will receive from Stash will only be the Financial Counseling Service. The amount of the Stash Fee charged for the Tier 2 Platform Tier Service is \$9 per month.

In the event the Client purchases the Tier 2 Platform Tier Service and desire to open more than two UGMA/UTMA accounts, the Stash Fee applicable to any such additional account is the per-account Stash Fee applicable to an individual account other than an IRA and Discretionary Managed Accounts, as described in Section A above (i.e., \$1 per month). Any discount in the Stash Fee applicable to the Platform Tier Service, as compared to the Stash Fees as calculated on a per-account basis with respect to the individual Stash Accounts included therein, shall be allocated in its entirety to the IRA.

Stash reserves the right, in its sole discretion, to negotiate, reduce or waive the advisory fees for certain Clients for any period of time determined solely by Stash. Additionally, Stash may reduce or waive its fees for some Clients without notice to, or adjustments to fees, for other Clients.

#### C. Ancillary Fees

The Stash Fee includes most of the investment expenses that are typically paid by investors, such as: account establishment/maintenance expenses, investment advisory fees, and brokerage fees. The Stash Fee does not include fees charged by each ETF's managers or other fees and expenses that are reflected in the price of ETF shares. In addition, Stash, Stash Capital and/or the Custodian may charge fees in addition to the Stash Fee for ancillary services as disclosed in Attachment F to the Advisory Agreement. In particular, and notwithstanding anything to the contrary in the Advisory Agreement, the Client agrees that, pursuant to the Customer Agreement, if the Client either requests the preparation and delivery of paper documents that Stash, the Broker, and/or the Custodian normally provides in electronic form or that Stash, the Broker, and/or the Custodian is not required to provide in paper form, or if the Client receives such paper documents as a result of the email address associated with their Stash Account being deemed invalid, Stash, the Broker, and/or the Custodian charge additional fees for the preparation and delivery of such paper documents. From time to time, in their sole discretion, Stash, the Broker, and/or the Custodian may waive or adjust the amounts or types of fees they charge for ancillary services. Fees for ancillary services will be deducted from the Client's Stash Account, the Client's Funding Account, or the Client's debit or credit card, in the same manner as the Client is charged for the Stash Fee. The Client may obtain the current schedule of such fees and services by contacting Stash at (800) 205-5164 or by sending an e-mail to support@stash.com. Stash Capital shares in certain fees paid by the Client to the Custodian or otherwise (including, without limitation, additional fees for the preparation and delivery of paper documents, account transfers and other services) and shares in certain revenue paid to Apex through money market or bank sweep programs and/or fully paid for securities lending programs, which create a conflict of interest for Stash in performing its services pursuant to the Advisory Agreement. Furthermore, certain of Stash's affiliates earn revenue from third parties in connection with and resulting from non-advisory services provided to the Client through such affiliates, which creates a conflict of interest for Stash in performing its services pursuant to the Advisory Agreement. In particular, a Stash affiliate shares in certain fees paid or generated by a Client in connection with the provision of the Stash Debit Card to such Client. Stash will not be precluded by any such conflict from exercising its judgment in the Client's best interest.

#### D. Other Terms and Conditions of Stash Fees

Unless otherwise agreed between the parties hereto, the Stash Fee is payable monthly in advance and will be



billed during the monthly period for which the services are performed or annually in advance and will be billed during the annual period for which the services are performed. The monthly billing period is each calendar month. The annual billing period starts on your initial billing date for the twelve (12) calendar months that follow. The Stash Fee is determined as described in Sections A and B above.

Clients prepay the Stash Fee for a bundle of advisory services, which are provided by Stash upfront. Clients may continue to receive access to the Platform and certain advisory services under the Program even without opening a Stash Account or after a Stash Account has been closed. For example, Stash and/or the Custodian may elect to close unfunded or underfunded Stash Accounts; however, in such cases, Stash may continue to permit Clients to access the Platform and certain advisory services under the Program. In the event of the closure of the Client's Stash Account and/or cancellation of the Client's Platform Tier Service (as applicable), Stash will not refund any prepaid portion of the Stash Fee for the monthly billing period in which the Client's Stash Account is closed and/or Platform Tier Service is canceled. In such case, Stash will continue to provide the Client with the Financial Counseling Service and the Client will retain access to the Platform and/or Program (without the power to open an individual account or otherwise effect brokerage transactions), as applicable through the end of the monthly billing period in which the Client's Stash Account is closed and/or Platform Tier Service is canceled. If the Client elects to prepay the Stash Fee in advance annually, Stash shall refund the prepaid portions of the Client's Stash Fee for the remaining months in the Client's annual billing period, with the exception of the monthly billing period in which the Client's Stash Account is closed and/or Platform Tier Service is canceled. If the Client elects to pay for the Tier 2 Platform Tier Service on an annual basis and later wishes to downgrade to a monthly billing period, Stash will either refund or provide fee credits to the Client's Stash Account in an amount that reflects the remaining prepaid portions of the Stash Fee for the remaining months in the annual billing period.

If a Client's Stash Account is closed for any reason related to anti-money laundering, fraud or violation of any applicable laws or regulations, then Stash will immediately terminate the Client's relationship with Stash.

Clients may change their Platform Tier Service and corresponding Stash Fee via the methods permitted by Stash through the Platform or by contacting Stash at (800) 205-5164 or by sending an email to [support@stash.com](mailto:support@stash.com).

The Stash Fees vary as Stash's services themselves vary. This will result in one Client paying different fees (as applicable) than another Client for similar services. In addition, lower fees for comparable services described may be available from other sources. Further, Stash may, in its sole discretion, selectively restrict the availability of one or more Platform Tier Services to new Clients to assess the impact on subscription rates for the remaining Platform Tier Services. This will result in certain new Clients having fewer Platform Tier Services available to them compared to other Clients.

In the event a Stash Account balance falls below the Minimum Balance (as defined in Item 5 below), Stash may in its sole discretion deduct the entirety of the balance of the Stash Account (whether such balance is in cash or securities) when such balance is less than the Stash Fee in lieu of collecting the Stash Fee otherwise due.

The Client authorizes and directs Stash and Stash Capital to charge the Stash Fee to the Client's debit card, credit card, deduct the Stash Fee directly from the Client's Funding Account and/or to instruct the Custodian to sell, as necessary, securities in the Client's Stash Account and to transfer money out of the Client's Stash Account to pay Stash the Stash Fee and, if any, other fees due under or as described in the Advisory Agreement. The Client agrees and acknowledges that such fee deduction may trigger rebalancing of the

Client's Stash Account, in accordance with Stash's rebalancing procedures and portfolio management system, including as described in the Advisory Agreement. Fees deducted from the Client's Stash Account will be reflected in the account statements provided to the Client by the Custodian.

The Client agrees and acknowledges that the Client is responsible for paying any and all fees, including, without limitation, the Stash Fee, that the Client owes pursuant to the Advisory Agreement. The Client is responsible for maintaining complete and accurate billing and contact information with Stash. The Client acknowledges that such fees may change from time to time and will be available on the Website and in the Brochure and Relationship Summary. In the event of a change in fees, Stash will provide the Client notice electronically via the Platform. The Client agrees to check the Platform from time to time for updates to the Stash Fees applicable to the Client.

The Client acknowledges that Stash designed the Program with frequent investing in mind and that the fee structure might not be economical or appropriate for individuals not looking to invest with Stash or looking to make few or infrequent small-dollar investments. The Client acknowledges that the Stash Fee may exceed the aggregate costs of purchasing separately the products and individual services that comprise the advisory services and the brokerage services offered through the Program. The Client acknowledges that the Stash Fee is charged as a fixed fee that does not vary based on the value of the Client's Stash Account and accordingly, the overall Stash Fee paid may be disproportionately high relative to the value of the Client's Stash Account, as applicable. The Client further represents and warrants, and has determined, that the Stash Fee is reasonable.

Unless otherwise stated, the Stash Fee does not include any direct or indirect local, state, federal, or foreign taxes, levies, duties or similar government assessments of any nature, including value-added, use, or withholding taxes (collectively, "Taxes"). Clients are responsible for paying all Taxes associated with the Client's participation in the Program, excluding taxes based on Stash's net income or property. If Stash and/or the Custodian has the legal obligation to pay or collect Taxes for which the Client is responsible under this section, the appropriate amount shall be invoiced to and paid by the Client, unless the Client provides Stash and/or the Custodian with a valid tax exemption certificate authorized by the appropriate taxing authority. When the Client withdraws money from the Client's Stash Account, as applicable, the Custodian may reduce the amount of the distribution by the amount of any tax mandatory withholding as required by applicable law. In addition, the Client has the ability to request that Stash withhold state and/or federal taxes from any withdrawal the Client makes from the Client's Stash Account by sending an e-mail to [support@stash.com](mailto:support@stash.com). Stash will communicate such requests to the Custodian. Notwithstanding the foregoing, Stash will not be responsible for the accuracy or timeliness of any such withholding effected or remitted by the Custodian, and will not be liable to withhold any penalties incurred by the Client in connection with the Client's obligation to pay Taxes associated with the Client's participation in the Program. As more fully described above, the Client acknowledges and agrees that Stash does not provide tax advice.

## Brokerage and Custody Services

With regard to the Program, Stash has an arrangement with Apex, a third-party qualified custodian, through which clearing and custody services are provided to Clients. Brokerage services are provided through Stash's affiliated broker-dealer, Stash Capital. Apex and Stash Capital are FINRA and SIPC members<sup>1</sup>, and SEC registered broker-dealers. Additional information about these entities and their services, as well as the benefits Stash receives from them is noted in greater detail in Item 9 of this Brochure.

Stash has established policies and procedures for the timely return of any securities, funds, or other assets that are inadvertently received by Stash from a Client or third party.

<sup>1</sup>Stash is not, nor required to be, a FINRA or SIPC member. Information about the Financial Industry Regulatory Authority (FINRA) may be found on its website, [www.finra.org](http://www.finra.org). The Client may learn more about the Securities Investor Protection Corporation (SIPC) and how it serves member firms and the investing public by visiting its website at [www.sipc.org](http://www.sipc.org).

## Item 5 - Account Requirements and Types of Clients

The Program is available for, and provided to, individuals who are U.S. citizens, or lawful residents of the U.S. for tax purposes who have a social security number or ITIN, are located in the United States, and maintain a checking account with a U.S. bank. Participation in the Program requires that the Client successfully complete a new account application, which for certain accounts includes submitting various personally identifiable information required by U.S. federal law.

Stash does not require any minimum deposit to open a taxable brokerage account, Custodial (UTMA/UGMA), Roth, or Traditional IRA accounts. Stash requires a \$5 minimum deposit to open a Discretionary Managed Account. Clients may elect through the Platform to make one-time or recurring deposits on a weekly, biweekly, or monthly basis. Stash may not provide withdrawal functionality through the Platform for all products, especially products such as tax-advantaged accounts that may incur tax penalties in certain withdrawal situations. Where withdrawal functionality is not provided through the Platform, Stash may require Clients to initiate or confirm withdrawals by contacting its customer support team via email at support@stash.com or via telephone at (800) 205-5164. Stash may, in its sole discretion, not honor a withdrawal request of funds to an external bank account that Stash is not able to fully verify as belonging to a Client. Under such circumstances, Stash reserves the right to send such requested funds to the depository account at the originating bank of such funds.

The minimum balance for maintaining a taxable brokerage account, Custodial (UTMA/UGMA), Roth IRA, Traditional IRA and Discretionary Managed Account is \$.01 (the "Minimum Balance"). You may fund your Stash Account by initiating or directing a deposit a minimum of \$0.01 or more through the Platform at any time. With respect to your existing Discretionary Managed Account, once the additional cash balance in your Discretionary Managed Account meets a threshold of \$1.00, Stash will automatically invest the total cash amount in your Discretionary Managed Account into the Automated Selected Investments. However, Stash will not invest any additional cash in your Discretionary Managed Account into the Automated Selected Investments unless and until your total cash balance reaches a minimum threshold of \$1.00. In addition, Stash may in its sole discretion set different minimum deposit amounts for the purchase of each Investment.

Stash Accounts will not be closed due to market volatility. If you request a withdrawal or sale of Automated Selected Investments in your Discretionary Managed Account in an amount equal to 90% or more of the total balance in your Discretionary Managed Account immediately prior to the execution of your withdrawal or sale request, then Stash reserves the right to terminate your Discretionary Managed Account. Stash also reserves the right to terminate any Client's Stash Account if it does not maintain the Minimum Balance. In the event a Stash Account balance falls below the Minimum Balance, Stash may in its sole discretion deduct the entirety of the account balance and close the account in lieu of collecting the Stash Fee.

For the avoidance of doubt, the minimum opening balance and Minimum Balance requirements do not apply to Clients who do not open a Stash Account and only receive the Financial Counseling Service. Nevertheless, Stash reserves the right to terminate the Advisory Agreement, the Client account, and access to the Platform in the event that Stash is unable to charge the Stash Fee.

## Item 6 - Portfolio Manager Selection Evaluation

As also discussed above, Stash provides non-discretionary and discretionary investment advisory services. For Non-Discretionary Managed Accounts, Stash does not exercise discretion over Client assets. Clients construct the Client's 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. Neither Stash nor any of its supervised persons or related persons act as a portfolio manager for any of the ETFs available through the Program. The ETFs available under the Program are managed by the relevant fund manager. Stash does not otherwise control or receive compensation from ETF managers.

For Discretionary Managed Accounts, Stash offers managed portfolios comprised of various publicly traded securities, including unaffiliated ETFs and/or other similarly traded Instruments selected by Stash. The Automated Selected Investments are selected to allocate assets among a diversified collection of Instruments across different asset classes, industries, economic sectors, geographic regions, and/or investment strategies. Stash 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.

Stash places orders to buy and sell securities for your Discretionary Managed Account during distinct trading windows, during normal market trading hours. There is no guarantee that any order you place will be executed during any particular trading window. The Program and the Platform are not designed to support real-time trading.

Although Stash reviews the performance history of ETFs available under the Program, Stash does not calculate or audit the information for accuracy, verify the appropriateness of the methodology on which the performance is calculated or verify whether the performance complies with Global Investment Performance Standards or any other standard for performance calculation. Furthermore, past performance may not be indicative of future results and, as such, Clients and prospective clients should not place too much emphasis on ETF performance information.

As also discussed above, Stash has developed a process focused on identifying and evaluating the investment criteria for Investments available under the Program. An investment committee has oversight of such criteria.

## **Item 7 - Client Information Provided to Portfolio Managers**

Stash, through the Platform, generates Recommendations based on the information about a Client's risk tolerance and investment time horizon, in each case as provided by each Client as part of the Suitability Questionnaire. Other information collected by Stash through the Platform may include, among other things, information about a Client's identity, liquidity, age, e-mail address, physical address, location, nationality, citizenship, tax residency, or other information that is supplied to Stash through the Platform. Clients agree to promptly update any Client Information provided to Stash that is no longer accurate using the Platform.

## **Item 8 - Client Contact with Portfolio Managers**

Clients may contact Stash's customer support team via email at [support@stash.com](mailto:support@stash.com) or via telephone at (800) 205-5164 with respect to technical questions and service issues regarding the Platform. However, Stash does not generally provide investment advice in person, over the phone, live chat, or in any other manner other than through the advisory services available on the Platform and via automated electronic messages.

## Item 9 - Additional Information

### Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to a Client's evaluation of Stash's advisory business or the integrity of Stash's management. Stash has no reportable material legal or disciplinary events to disclose related to Stash or any of its management persons.

In the ordinary course of its business, Stash and its employees have in the past been, and may in the future be, subject to periodic audits, examinations, claims, formal and informal regulatory inquiries, requests for information, subpoenas, investigations, and legal or regulatory proceedings, involving the SEC, other regulatory authorities, or private parties.

Additional information about Stash's advisory affiliates is contained in Part 1 of Stash's Form ADV.

### Other Financial Industry Activities and Affiliations

Stash is a wholly-owned subsidiary of Stash Financial, which is also the parent company of Stash Capital. Other subsidiaries of Stash Financial include Stash Insurance Services LLC and Stash Cash Management LLC ("Stash Cash Management"). Stash does not have an application pending to register as a Financial Industry Regulatory Authority (FINRA) member firm.

Stash uses, suggests, and/or recommends its own services or the services of affiliated entities in connection with Stash's advisory business. Stash shares resources with and/or delegates certain of its trading, advisory and other activities for Clients to affiliated entities. The services involved will depend on the types of services offered by the affiliate. The arrangements may involve sharing or joint compensation, or separate compensation, subject to the requirements of applicable law. For instance, Stash Capital and Stash Financial provide services to support Stash per an intercompany agreement. These services may include brokerage services, customer technical support, marketing functions, operational support, and other types of services. Furthermore, certain management and operational functions with respect to the Program are performed by employees of Stash Financial who are subject to the control and supervision of Stash, pursuant to an employee sharing arrangement between Stash and Stash Financial. Other relationships may include, but are not limited to, those discussed below.

Stash's affiliates will retain any compensation when providing investment services to, or in connection with investment activities of, Stash Accounts or Clients, subject to applicable law. Compensation may take the form of commissions, markups, markdowns, service fees or other commission equivalents. Stash Accounts or Clients will not be entitled to any such compensation retained by Stash's affiliates.

#### Broker-Dealer

Stash's affiliate Stash Capital is a member of FINRA and registered with the SEC as a broker-dealer. Certain of Stash's personnel are registered representatives of Stash Capital to the extent necessary or appropriate to perform their responsibilities. Stash Capital primarily introduces Clients to full-service carrying brokers,



currently Apex exclusively. Stash and Stash Capital have overlapping officers, personnel and share office space and certain expenses. Certain Stash management persons are also registered representatives of Stash Capital as necessary or appropriate to perform their responsibilities.

Stash requires that Clients use the execution services offered by Stash Capital. For the avoidance of doubt, Stash places Client trades with Stash Capital, which acts as an introducing broker-dealer for such trades on behalf of Clients. Trades are cleared and settled by Apex, an unaffiliated clearing broker and qualified custodian for Stash Accounts. Stash Capital may also engage in principal transactions. In each such instance, Stash expects to seek to effect any such transaction in accordance with the requirements of Section 206(3) of the Advisers Act. Stash Capital will receive compensation when acting as a broker-dealer for Stash Accounts. In addition, Stash may receive fees, cash credits or other benefits from exchanges and other market centers to which it, as broker, routes order flow based on the volume and type of order flow routed and whether the order contributes or extracts liquidity from the given market.

#### Compensation Associated with Non-Investment Affiliated Entities

Other wholly-owned subsidiaries of Stash Financial include Stash Insurance Services LLC and Stash Cash Management. Stash Insurance Services LLC provides Stash Clients with access to life insurance and property & casualty insurance offered by and through third parties. Stash Insurance Services does not, and is not required to, obtain or maintain any federal or state registrations or licenses in order to engage in its activities. Stash Cash Management does not, and is not required to, obtain or maintain any federal or state registrations or licenses in order to engage in its activities. See “Participation or Interest in Client Accounts” below for a discussion of certain conflicts that may arise as a result of activities conducted by these subsidiaries.

Furthermore, from time to time, third-party vendors and/or business partners may provide Stash, its affiliates, and/or its employees with non-monetary gifts and gratuities, such as promotional items (e.g., coffee mugs, golf balls, or gift baskets), meals and access to certain industry-related conferences (collectively, “gifts”). Stash has implemented policies and procedures intended to identify, quantify and track certain gifts received by the firm and/or its employees.

Stash from time to time enters into partnerships with third parties to offer promotions, benefits, and other rewards programs to its Clients. In connection with such programs, Stash may receive a benefit in the form of compensation or other consideration from certain of its third-party partners, at no cost to its Clients. Further, Stash may recommend certain of these third-party partner’s securities as an investment option to its Clients, which may result in a conflict between Stash and its Clients.

#### Payment For Order Flow

Broadly speaking, the concept of payment for order flow encompasses a wide variety of cash or in-kind compensation structures that a broker may receive for directing its customers’ orders to a particular broker dealer or trading venue. Apex receives remuneration for directing orders to broker-dealers or market centers for execution. A portion of such remuneration is considered compensation to Stash. The source and nature of remuneration in connection with your transaction may be disclosed upon written request. Stash Capital LLC, which clears trades through Apex, may share in such payments or may directly receive payment for order flow for certain transactions. Stash Capital generally receives payment for order flow from Apex for all customer accounts other than Retirement Accounts (i.e., Non-Discretionary Managed Accounts, Discretionary Managed Accounts, and UGMA/UTMA accounts). However, Stash Capital does not receive payment for order flow for any Over-The-Counter international trades (i.e., American Depository Receipt (ADR) transactions).

Furthermore, Stash Capital may not receive payment for order flow on any individual trade for which Apex does not have a contract in place with a payment for order flow provider (e.g., orders in low share amounts or low dollar amount securities). On a monthly basis, Stash receives a reconciliation with the maximum payment for order flow rate that Apex may receive for different types of trades based on the type of security, the price of the security, and the market center. Stash does not otherwise have insight into the payment for order flow generated for any individual trade. Payment for order flow raises the potential for conflicts of interest for broker-dealers handling customer orders. Stash Capital conducts regular and rigorous reviews of orders and execution quality and considers payment for order flow arrangements with Apex when conducting these reviews.

### Management Persons; Policies and Procedures

As discussed above, certain of Stash's management persons also hold positions with one or more of Stash's affiliated entities. In any such positions, they may have some responsibility with respect to the business of these affiliated entities. Consequently, in carrying out their roles at Stash and these other entities, the management persons of Stash will be subject to potential conflicts of interest that exist between Stash and these affiliates.

Stash has established a variety of restrictions, policies, procedures, and disclosures designed to address potential and actual conflicts that arise between affiliates. The policies and procedures designed to address these potential conflicts are described in Item 9, Code of Ethics and Personal Trading and Participation or Interest in Client Transactions. No assurance can be made that any of Stash's current policies and procedures, or any policies and procedures that are established by Stash in the future will have their desired effect.

## **Code of Ethics and Personal Trading**

Stash has adopted a Code of Ethics (the "Code") and certain other policies and procedures that obligate Stash and its "access persons" (e.g., any partner, officer, director, member, or employee of Stash) to put the interests of the Clients before their own interests and to act honestly and fairly in all respects in their dealings with Clients. All of Stash's personnel are also required to comply with applicable federal securities laws. Stash will supply a complete copy of its Code to any Client or prospective Client who requests a copy of the Code by contacting customer support by email at [support@stash.com](mailto:support@stash.com) or by telephone at (800) 205-5164.

Stash and its related persons effect transactions for their own accounts in the same securities or other Instruments purchased and sold for Clients.

To ensure trading by Stash's access persons is conducted (i) in a manner that does not adversely affect Stash's trading on behalf of Clients and (ii) in a manner that is consistent with the fiduciary duties owed by Stash to the Clients, Stash has adopted the Code and attendant policies and procedures governing, among other things, transactions by Stash's access persons and other "covered persons" (e.g., any such access person's spouse, immediate family members). The Code and attendant policies and procedures contain provisions designed to, among other things, (i) prevent improper personal trading by Stash's access persons and other covered persons; (ii) identify actual or potential conflicts of interest; and (iii) provide guidance in resolving certain actual or potential conflicts of which Stash is aware of in favor of Clients. To accomplish these objectives, Stash is required under the Code and attendant policies and procedures to, among other things, (i) require reporting of personal trades in "reportable securities" (as defined in the Code) by Stash's access persons and other covered persons and (ii) prohibit certain trading by Stash's access persons and other covered persons in securities of issuers listed on Stash's "Restricted List" (as defined in the Code).

While not anticipated in the ordinary course of business operations, Stash and/or its affiliates may engage in principal transactions. In each such instance, Stash expects to seek to effect any such transaction in accordance with the requirements of Section 206(3) of the Advisers Act.

Stash has also adopted policies and procedures regarding the receipt of gifts and entertainment by Stash's employees from certain third parties (e.g., vendors, broker-dealers, consultants, etc.). Specifically, these policies and procedures require employees to report the receipt of gifts and entertainment in excess of pre established de minimis thresholds. Stash reviews these reports for any potential conflicts of interest with respect to individual instances of gifts or entertainment, as well as patterns of the same over time, to seek to prevent employees from placing their own interests ahead of the interest of Clients.

The Code and Stash's other policies and procedures also address the following key areas: (i) recordkeeping; (ii) oversight of the Code; (iii) conflicts of interest; (iv) the treatment of confidential information; (v) compliance with SEC rules and regulations; and (vi) reporting misconduct. Periodic training regarding the Code and Stash's other policies and procedures is provided to Stash's access persons. Separately, the attendant policies and procedures related to, among other things, Pay-to-Play rules, gifts and entertainment and outside business activities are located in the Stash's compliance manual.

Stash Capital, Stash's affiliated broker-dealer, is permitted to trade in Investments for its own accounts and engage in personal securities transactions in securities and other Investments in which Clients may invest, in accordance with the Code. These activities create conflicts of interest between Stash Capital and Stash's Clients with regard to such matters as allocation of opportunities to participate in, or refrain from participation in, particular Investments or to dispose of certain Investments.

The Code contains provisions designed to prevent improper personal trading by Stash's access persons. Pursuant to the Code, all of Stash's access persons and covered persons attest to Stash's Code and submit to Stash their personal trading activity, which is periodically reviewed except in cases where such person has a managed account with an independent adviser who has discretionary investment authority. Stash's access persons and covered persons are prohibited from trading securities on Stash's Restricted List and generally are prohibited from participating in "new issues." All reportable accounts and all holdings in reportable securities need to be disclosed upon joining Stash and confirmed and/or updated periodically.

## **Trade Handling**

### Employee Accounts

Employees or related persons of Stash may open Stash Accounts in the Program, and as a result trade in the same securities with unaffiliated Clients. Stash's procedure is to treat any employee's Stash Account or related person's Stash Account in the same fashion as unaffiliated Clients' Stash Accounts.

### Client Accounts

As discussed above, Stash Capital, Stash's affiliated broker-dealer, introduces all Client trades from Stash to Apex, an unaffiliated qualified custodian, and Apex establishes and carries Stash Accounts that hold Client securities and cash and records Client trades. In each case, Client orders are placed with Stash Capital and orders are executed manually and/or through electronic trading systems maintained by Stash Capital. Such trades may be done on an aggregated basis when consistent with Stash and Stash Capital's obligation to seek

best execution. In such circumstances, Stash Accounts receive securities at a total average price. Stash retains records of each trade order (specifying each participating account) and its allocation, which is completed prior to the entry of the aggregated order. Completed orders are allocated by Stash as specified in the initial trade order. Partially filled orders are allocated on a pro rata basis. Any exceptions will be explained on the order.

Generally, Clients with Non-Discretionary Managed Accounts direct and are responsible for the direction of Investments through the Platform by: (i) carefully reviewing the information about investing and the Investments available under the Program; (ii) carefully considering the Recommendations generated by the Platform; (iii) selecting Investments; and (iv) deciding whether to exclude an Investment from their selections. However, Stash shall have for all Stash Accounts the authority:

- to determine and modify which Investments are available under the Program;
- to determine when, how often, and in what amounts to invest or reinvest dividends in Stash Accounts;
- to determine when, how often, and in what amounts to have uninvested cash in any Stash Account held through the Sweep Program;
- to determine and modify procedures used in trading and allocating fractional shares under the Program;
- to determine the timing of purchases of securities in relation to deposits;
- to determine the timing of sales and withdrawals in relation to requests for withdrawals or transfers;
- to determine the action taken in response to a corporate action related to Instruments held in your Stash Account provided that no proxy is required to do so and the action taken by Stash is deemed to be in your best interest; and
- to place an order to buy a security necessary to process any reward granted to you pursuant to and in accordance with the then-effective terms and conditions of the Stock-Back ® Rewards program or any other similar rewards or promotional program(s) offered by Stash and/or its affiliates.

Stash places orders to buy and sell securities on the behalf of Clients with Non-Discretionary Managed Accounts, only at the direction of such Clients, during distinct trading windows, during normal market trading hours. Stash generally places orders during four distinct trading windows; however, the frequency of these distinct trading windows may be limited during adverse market conditions or during shortened trading sessions or otherwise changed in Stash's sole discretion. There is no guarantee that any order a Client places will be executed during any particular trading window. The Program and the Platform are not designed to support real time trading.

As part of its best execution responsibilities, Stash reviews and monitors, among other things, (a) data and/or reports regarding execution costs of transactions executed through Stash Capital. Stash seeks to ensure that Clients' transactions are conducted in the best interest of Clients, including by continuing to seek to obtain best execution for Clients through Stash's review and adoption of Stash Capital's best execution policies and procedures, and any material updates thereto with regard to trades placed by or through Stash Capital. Stash's trade allocation policy applicable to the Stash Capital execution desk is designed to seek to: (i) provide a fair allocation of purchases and sales of Investments among Clients, (ii) not systematically advantage one Client over another, and (iii) ensure compliance with appropriate regulatory requirements. Traders on the Stash Capital execution desk are employees supervised by both Stash and Stash Capital.

As discussed further above, from time to time, Apex receives compensation in the form of rebates, monetary compensation, or inter-company transfer of funds for routing customer orders, including orders for Clients, to a designated exchange, market maker, dealer, or market center for execution. Stash Capital receives payments from Apex in connection with such order flow, and, in all cases, Stash and Stash Capital seek the best

execution possible for Clients' orders.

### *Fee Arrangements with Apex*

Under Stash Capital's fully disclosed clearing agreement with Apex, Apex charges Stash monthly account fees based on account type (i.e., Non-Discretionary and Discretionary Managed Accounts and Retirement Accounts). Stash is charged a monthly fee which is the greater of a percentage of Stash client assets held at Apex or a fee contingent on the amount of Client allocations per month. As a result of this fee arrangement, Stash may be incentivized to (i) maintain Stash Accounts with Apex due to the potential reduction in monthly minimum charges and (ii) limit the number of advisory allocations conducted in Stash Accounts in order to minimize the per-trade cost, which increases as Stash Capital conducts more trades. The Platform's automated nature and functionality and the type of accounts offered by Stash under the Program mitigate these potential conflicts of interest. The Platform is not coded or otherwise designed to limit customer activity. Moreover, Clients are responsible for directly controlling the activity in all Stash Accounts except Discretionary Managed Accounts. Consequently, Stash has no control over whether the volume of allocations will be limited for such Stash Accounts.

Stash Capital is also subject to a termination penalty if it elects to remove a majority of Stash Accounts from Apex (a "termination event"). The potential termination payment amount varies based on the date of the termination event. For each subsequent year through September 2028, the termination event payment decreases. There is no termination payment should a termination event occur on or after September 20, 2028. This potential termination penalty creates a potential conflict of interest in incentivizing Stash to continue to clear the majority of its trades through Apex, even in the event that Stash determines that Apex's services are no longer in its Clients' best interests (e.g., if Apex fails to provide best execution for Client transactions). As explained above, this potential conflict of interest is mitigated by Stash's periodic review of Apex's services to ensure that transactions are conducted in the best interests of its Clients, including by continuing to seek to obtain best execution. This potential conflict of interest is further mitigated by Stash's ability to continue to seek best execution for its Clients without triggering the termination penalty with Apex, if Stash becomes dissatisfied with the services provided by Apex.

In order to permit sufficient time to ensure that the transfer of assets into a Stash Account has been successfully completed by the financial institution that maintains such Client's bank account, Stash may, in limited cases, wait up to five Business Days after the day Apex credits the applicable deposit to such Client's Stash Account to generate and place trade orders for such purchases. "Business Day" means a day when the New York Stock Exchange is open for trading and banking institutions located in the State of New York are open for business during all or part of the day. As a result, each deposit or transfer a Client makes may not be invested in such Client's selected Investment(s) for up to five Business Days, and such uninvested cash would not be subject to financial gains or losses resulting from movement in market prices during any such uninvested time period.

Stash reserves the right, at any time and without notice, to delay or manage the trading of Client orders if it determines such delay is appropriate and consistent with Stash's obligations under the terms of the Advisory Agreement.

## **Participation or Interest in Client Accounts**

Managing conflicts of interest is an integral part of Stash's compliance program. We believe that no organization can completely eliminate conflicts that exist explicitly or implicitly. Stash evaluates its business

activities and the actual and possible conflicts that may emerge from its activities on an ongoing basis. To the extent that existing or new business activities raise an actual conflict of interest, or even the appearance of a conflict, we endeavor to provide the Client with full and clear disclosure or to take action to avoid them.

Stash acts as investment adviser under the Advisers Act in accordance with fiduciary standards. Stash Financial, its affiliates, and/or its business partners conduct business as broker-dealer, asset manager, banking services provider, insurance distributor, marketing affiliate, and financial services organization. Stash's advisory affiliates provide a wide range of financial services to individuals. Stash and/or its affiliates may receive compensation in addition to the Stash Fee in connection with transactions and other services provided as part of the Program. The following are descriptions of certain conflicts of interest and potential conflicts of interest that may be associated with the financial or other interests Stash may have in transactions effected by, with, and on behalf of, Stash Accounts or investment advice otherwise offered to Clients.

#### Certain Effects of Stash's Activities on Advisory Accounts

Stash may cause Stash Accounts to invest in fractional shares of certain publicly-traded equity securities and/or exchange-traded funds in connection with rewards earned through the Stock-Back™ Rewards program, a rewards program that may be offered to Clients by Stash and/or its affiliates, as a result of qualifying purchases made with a debit card issued in connection with a demand deposit account provided by an unaffiliated FDIC member partner bank, and, which may be made available to Clients pursuant to the terms and conditions of the Deposit Account Agreement available on the [Stash Disclosure Library website](#) ("Stash Debit Card"). Stash's affiliates will share in revenue earned on such qualifying purchases made with respect to the Stash Debit Card. This revenue sharing arrangement creates a conflict of interest for Stash in performing its services pursuant to the Advisory Agreement. Neither Stash Accounts nor Clients are entitled to compensation as a result of this revenue sharing arrangement, and Stash will not be precluded by such conflict from exercising its judgment in the Client's best interest.

#### Conflicts of Interest Associated with Market Insights Reports

The Market Insights Reports may supplement other investment advisory services made available to Clients. Stash also has and maintains, other than as part of Market Insights Reports, Investment recommendations that are available both to subscribers of Market Insights Reports and to non-subscribers. Any decision as to the Investment recommendations made available are solely those of Stash. We may issue Market Insights Reports on Investments or investment strategies that are also described in one or more of the Investment recommendations made available to non-subscriber Clients.

#### Certain Effects of the Activities of Entities Invested in Stash Financial's Capital Structure

Entities invested in Stash Financial's capital structure such as private funds as well as public companies, including their related persons and affiliates (such entities, "[Shareholders](#)"), engage in a variety of activities in the global financial markets. The extent of Shareholders' activities in the global financial markets may have potential adverse effects on Stash Accounts. Shareholders, the clients they advise, and their personnel may have interests in and advise accounts that have investment objectives or portfolios similar to, related to or opposed to those of Stash Accounts. In addition, Shareholders, the clients they advise, and their personnel may compete for commercial arrangements or transactions in the same types of securities and other instruments as Stash Accounts. Transactions by, advice to and activities of Shareholders and/or their clients (including with respect to investment decisions, voting and the enforcement of rights) may involve the same or related securities or other instruments as those in which Stash Accounts invest, and Shareholders and/or their

clients may engage in a strategy while a Stash Account is undertaking the same or a differing strategy, any of which could directly or indirectly disadvantage Clients (including their ability to engage in a transaction or other activities) or the prices or terms at which the Client's transactions or other activities may be effected. For example, a Stash Account may hold a security and a Shareholder and/or its client may establish a short position in that same security or in similar securities. Any such short position will result in the impairment of the price of the security that the Stash Account holds or could be designed to profit from a decline in the price of the security. To the extent a Client engages in transactions in the same or similar types of securities as Shareholders and/or their clients, such Clients may compete for such transactions, and transactions by such Shareholders and/or their clients may negatively affect the investments held in a Stash Account (including the ability of the Client to engage in such a transaction or other activities), or the price or terms at which the Client's transactions or other activities may be effected. Moreover, a particular Client on the one hand, and a Shareholder and/or a Shareholder client on the other hand, may take or refrain from taking different actions with respect to the same security, which can be disadvantageous to the Client. Furthermore, certain Shareholders have issued, and may in the future issue, securities recommended by Stash. Shareholders do not and will not have any input into Stash's investment decisions, including what Investments are or will be recommended by the firm. Stash may recommend certain of these third-party partner's securities as an Investment option to its Clients, which may result in a conflict between Stash and its Clients. Stash mitigates any actual or potential conflicts of interest by maintaining separate organizational reporting lines and personnel.

#### Receipt of Compensation from Apex

Stash Capital, Stash's affiliated broker-dealer, shares in certain fees paid by the Client to Apex or otherwise (including, without limitation, additional fees for the preparation and delivery of paper documents, account transfers and other services) and shares in certain revenue paid to Apex through money market or bank sweep programs and/or fully paid for securities lending programs, which create a conflict of interest for Stash in performing its services pursuant to the Advisory Agreement.

#### *Sweep Program*

As described above and in the Advisory Agreement, Clients are automatically enrolled in the Sweep Program, which is managed by Apex. Stash Capital, Stash's affiliated broker-dealer, will receive additional economic benefits from cash investments held in the Client's Stash Account. Stash Capital may provide various administrative services with respect to the assets participating in the Sweep Program and is compensated for these services. The compensation Stash Capital receives for these services is paid based on Client assets invested in the Sweep Program. Information related to the sweep arrangement can be requested by calling Stash at (800) 205-5164. This conflict may be greater when higher cash balances are maintained in the Client's Stash Account. We will not be precluded by any of these conflicts from exercising our judgment in the Client's best interest.

The Stash Fee will be applied to cash and cash alternatives held within the Client's Stash Account, including any assets in the Sweep Program. The Stash Fee is in addition to other compensation that Stash and its affiliates will earn in connection with these assets. Although the Client's cash will be swept in accordance with the Sweep Program described in the [Sweep Program Terms and Conditions](#), the Client may experience negative performance on the cash portion of the Client's Stash Account if the Stash Fee charged on the Client's cash is higher than the return the Client receives from the Sweep Program.

When cash balances are deposited into a bank deposit account of one or more banks participating in the Sweep Program:

- Cash will be placed in an account bearing a reasonable rate of interest equal to the Effective Federal Funds Rate and the participating depository institution will benefit from its use of the deposits.
- Clients will be compensated monthly at an interest rate of up to 0.10% on their cash balance.
- Stash Capital and Apex Clearing will receive compensation from the participating depository institution in an amount equal to the difference between the interest income generated and the amount paid to Clients. This compensation will be in addition to, and will not reduce, the Client's Stash Fee, except as required by law.
- The applicable [Sweep Program Terms and Conditions](#) are described in the disclosures that the Client receives in connection with the underlying Advisory Agreement, and are also available on the Stash website at <https://www.stash.com/disclosurelibrary>.

### *Optional Securities Lending Program*

Stash Capital, Stash's affiliated broker-dealer, will share in revenue earned on premiums paid on borrowed Investments for taxable brokerage accounts in connection with the optional Securities Lending Program. Discretionary Managed Accounts do not participate in the Securities Lending Program. The compensation paid to Clients is calculated as 15% of the net proceeds earned and received by Apex for relending each Client's securities. Stash Capital may provide various administrative services with respect to the Securities Lending Program and is compensated for these services. The compensation Stash Capital receives for these services is calculated as 50% of the net proceeds earned and received by Apex for relending each Client's securities. The remaining 35% of the net proceeds earned and received by Apex for relending Investments will be kept by Apex as its compensation. Clients agree to participate in the Securities Lending Program as part of Stash's onboarding process; Clients may choose to opt-out of the Securities Lending Program by sending an email to [support@stash.com](mailto:support@stash.com).

### *Potential Ancillary Fees and Expenses Not Covered By the Stash Fee*

Below is a list of ancillary fees Clients may incur that are not included in the Stash Fee. These fees would be incurred based on a Client's request, and in some cases may be beyond our control, and are accordingly excluded from the fees and services covered by the Stash Fee. Should a Client incur any of these fees, such Client will be responsible for their payment in accordance with the terms and conditions of the Advisory Agreement and such Client's other account opening agreements. This list of fees is the current list of ancillary fees, but we reserve the right to change these fees in the future. Stash Capital, an affiliate of Stash, may share (with Apex) in a portion of the fees listed below that are paid by the Client, which may create a conflict of interest for Stash in performing its services pursuant to the Advisory Agreement.

#### **Bank Transfers:**

- Bank Transfer (ACH) Incoming – \$0
- Bank Transfer (ACH) Outgoing – \$0
- Returned ACH (insufficient funds) – \$0.50 each
- ACH Notice of Correction (NOC) Fee – \$5 per notice
- Paper Checks - \$2 per check
- Returned Checks - \$30 per check
- Overnight Check - \$50 per check



#### Account-Based:

- Electronic Statement & Electronic Trade Confirms – \$0
- Paper Confirms – \$2.50 per confirm
- Paper Account and Tax Statements – \$5 per statement
- Paper Prospectuses - \$1.50 per prospectus
- Escheatment Processing & Notice - \$7 per account

#### ACAT (Automated Customer Account Transfer):

- ACAT Outgoing – \$75 per account
- ACAT Incoming – \$0

#### Other

- ADR fees - \$0.01 to \$0.03 per share (depending on the specific security)
- Voluntary Reorganization (Domestic issuer) - \$50
- Voluntary Reorganization (International issuer) - \$100
- Stop Check Payments - \$30
- Margin sell out - \$25 per ticket
- Non-transferrable Stocks - \$10 per month per stock
- Check Copies - \$15
- Swift Wire Fee- \$30
- Negative account balance interest will be accrued daily at the effective federal funds interest rate plus up to 300 basis points, and will be charged on a monthly basis

In addition, the Custodian may pass through to you additional fees or costs that it is invoiced for or incurs from third-parties as a result of a Client's action (e.g., resulting from certain ACH return codes, fees associated with ADRs, etc.) regardless of whether such fees or costs are specifically denoted herein.

#### Conflicts of Interest Associated with Unaffiliated Advisers

Investment advisers unaffiliated with Stash, including investment managers of ETFs available in the Program, ("Unaffiliated Advisers") have interests and relationships that may create conflicts of interest related to their management of the ETFs to which Stash Account assets are allocated. For information about conflicts of interest that may arise in connection with the activities of Unaffiliated Advisers of the ETFs available in the Program, please refer to the prospectuses, offering memoranda and constituent documents of such ETFs and to the Forms ADV of such Unaffiliated Advisers.

#### Securities Trading by Stash and its Affiliates

Stash and/or its affiliates, including Stash Capital, Stash's affiliated broker-dealer, may have a position in or enter into "proprietary" transactions in securities purchased or sold for Stash Accounts. Stash and/or its affiliates may benefit from such securities positions or transactions.

We address these conflicts in a variety of ways, including (i) through disclosure in this Brochure and in the

Advisory Agreement; (ii) we are required to recommend investment products and securities that are suitable for each Client with a Stash Account based upon Client Information; and (iii) we have established a variety of restrictions, procedures and disclosures designed to address potential conflicts of interest—both those arising between and among a Stash Account as well as between Stash Accounts and our business. For example, our personnel also are subject to personal trading restrictions as detailed in our policies and procedures and Code. In addition, Stash uses a technology platform that has a direct link to employees' personal trading accounts, where compliance is able to review account trades and holdings. Further, employees are required to attest quarterly to their accounts being up-to-date in our system.

We may suggest or recommend that Clients use the execution or other services of our affiliated broker-dealer, Stash Capital. Where we service the Client's Stash Account utilizing our affiliate's services, Stash and its affiliates will receive compensation.

## **Review of Accounts**

### Account Reviews

An important part of the Program relationship involves providing the Client with the opportunity to engage in periodic online reviews. These reviews provide updates on the progress of the Client's Stash Account, performance of the Client's Stash Account's portfolio and other important information about the Client's Investments. This review is also an opportunity to ensure that the information the Client provides is complete, accurate and reflects the Client's financial situation and objectives for the Stash Accounts enrolled in the Program. If the Client is the custodian of this account for the benefit of another person, please keep in mind that these assets will be invested for the benefit of the other person. The information the Client provides should reflect the views and circumstances of the beneficiary of the Stash Account.

Stash provides all Clients with continuous access via the Platform to real time reporting information about their account status, securities positions, and balances. Limited reviews of Stash Accounts are conducted through the Platform on a periodic basis, including providing automated alerts. Clients are encouraged to update the Client Information should there be a change in their circumstances.

Stash will review the assets in your Discretionary Managed Account no less frequently than quarterly to ensure that the account asset allocation has not drifted by 5% or more from the set asset allocation associated with your Discretionary Managed Account. If at quarter end the allocation in your Discretionary Managed Account is 5% or lesser or greater from the set asset allocation, the account will be rebalanced to the set asset allocation. Additionally, your Discretionary Managed Account will be rebalanced annually to the set asset allocation at the end of each calendar year, regardless of drift percentage relative to the set asset allocation, unless Stash reasonably determines in good faith that such annual rebalancing would not be in your best interest, at which point Stash will notify you via the Platform or via email that such annual rebalancing will not be performed in your Discretionary Managed Account. Stash may, in its sole discretion, change the set asset allocation for your Discretionary Managed Account pursuant to market movement or conditions. Calendar rebalancing is automatic and does not require ongoing, active monitoring of ETF thresholds in Client accounts. Range-based rebalancing, which is not offered by Stash, requires account monitoring around target allocations and when target weights differ by set thresholds for the account, a transaction is effected for the account to mirror target allocations, which may result in greater transaction fees. As part of the rebalancing to bring portfolios in line with target allocations, the performance of purchased ETFs may lag the performance of those sold to fund the purchases. Stash rebalances portfolios on a best efforts basis and in doing so does not take into account

individual tax, market, or legal circumstances. In some market conditions, this may create capital gains tax liabilities. Clients must consult with a tax or legal professional for such information.

We will also contact the Client periodically primarily through electronic means to request that the Client reviews the Client's information for each of the Stash Accounts in the Program and ensure that it is up to date. The Client will be required to perform the Client's review through the Platform. Because these reviews provide the Client with important and necessary information relating to the Client's Stash Account, the Client is required to take advantage of these opportunities to participate in Stash Account reviews. If the Client does not participate in the Client's Stash Account review, we may, in our discretion, terminate the Client's Stash Account.

Stash's supervision and monitoring do not substitute for each Client's own continued review of the Investments held in and the performance of each such Client's Stash Account. Each Client is responsible for logging in to the Client's Stash Account regularly to review performance and access trade confirmations, periodic account statements, and other information Stash makes available to Clients. If the Client identifies any discrepancies, the Client should promptly report them to Stash by calling (800) 205-5164.

### Client Reports

Clients can access their quarterly and, if applicable, monthly brokerage account statements provided by Apex detailing their account information via the Platform.

## **Client Referrals and Other Compensation**

Stash enters into marketing arrangements with third parties or Shareholders who, for compensation, will provide consulting or other services to us in connection with marketing our various advisory programs, or otherwise refer prospective Clients to us. Each such marketing arrangement is or will be governed by a written agreement between us and the third party or Shareholder, and will be disclosed to the Client, as required by law. Stash, however, does not receive any compensation for referring Clients to another advisor nor does Stash pay any compensation to another advisor if another advisor refers Clients to Stash.

Stash or one or more of its related persons may also receive compensation from retailers in connection with certain promotions, in which Stash or one or more of its related persons refers Clients to the retailers for the purchase of non-investment consumer products or services. Stash or one or more of its related persons may, in their sole discretion, also transfer a portion of the compensation received in connection with such promotions into the applicable Client's Stash Account, at no cost to the Client, to fund the purchase of additional Investments.

### Client Referrals

Stash offers Clients and/or prospective Clients certain promotions or rewards in connection with opening and/or maintaining products and/or services offered by or through affiliated and unaffiliated entities. Such promotions or rewards may include, by way of example, the payment of a cash reward. The promotions may require a Client to request to receive or participate in the promotion or reward, and/or require a Client to meet various eligibility criteria. These promotions or rewards may extend to a Client's Stash Account that holds assets in the Program, and, in certain instances, participation in the Program may be a condition for these promotions or rewards.

Stash also expects from time to time to run various promotional campaigns to attract Clients to open accounts

on the Platform. These promotions may include additional account services or products offered on a limited basis to select Clients, more favorable fee arrangements, and/or reduced or waived advisory fees for Clients.

In addition, Stash makes cash payments to Clients for referring prospective Clients to Stash, consistent with applicable laws, including Rule 206(4)-1 under the Advisers Act. The compensation arrangements generally are based on a fixed payment paid to the referring Client by Stash and are disclosed to prospective Clients. Stash, however, does not compensate employees of Stash or its affiliates for Client referrals.

Stash operates the “Stash It Forward” program. Under Stash It Forward, current Clients may share a link with one or more friends. This link will allow the receiver to claim a fixed dollar amount for opening a Stash Account. New Clients must meet certain eligibility criteria and adhere to the terms and conditions of Stash’s Advisory Agreement. The monetary gift for opening an account must remain in the account for 90 days beginning from the date the Client funds the Client’s Stash Account before the Client can transfer the funds out of the Stash Account. Participation in Stash It Forward is not available to non-U.S. residents or individuals who regularly provide investment advisory services to Clients in any U.S. state. Stash reserves the right to modify, extend or cancel Stash It Forward at any time without notice, in Stash’s sole discretion.

Stash also pays pre-determined fees to third-parties for driving new users to Stash, which may be in the form of so-called CPM, CPC, or CPA arrangements (respectively, impressions, clicks or actions through other websites).

## **Financial Information**

Stash does not solicit fees of more than \$1,200.00, per Client, six months or more in advance and therefore does not need to include a balance sheet with this Brochure. Stash has no financial commitment that would impair its ability to meet any contractual and fiduciary commitments to the Client. Stash has not been the subject of any bankruptcy proceedings.

## Form ADV Part 2B



115 East 34<sup>th</sup> St.  
P.O. Box 1922  
New York, NY 10016  
800-205-5164  
[www.stash.com](http://www.stash.com)

### Form ADV Part 2B

#### Client Brochure Supplement

December 14, 2023

This Brochure Supplement provides information about Stash Investments LLC's employees that supplements the Stash Investments Brochure. You should have received a copy of that Brochure. Please contact Stash at 800-205-5164 or [support@stash.com](mailto:support@stash.com) if you did not receive the Brochure or if you have any questions about the contents of this Brochure Supplement. Additional information about supervised persons below is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Stash Investments LLC's discretionary investment advice is formulated by a team of two supervised persons, and Stash has provided group supplementary information below for the two supervised persons with the most significant responsibility for discretionary investment advice provided to Clients.

#### **Douglas Feldman**

Chief Investment Officer and Head of Investment Strategy and Advice

<i>Born</i>	1973
<i>Education</i>	Harvard Business School, M.B.A  University of Pennsylvania (Wharton School), B.S. - Accounting and Finance

<i>Business Background</i>	<p>ZAF Capital LLC - Managing Partner</p> <p>Samuel Feldman Lumber Co. - Vice President</p> <p>Clovis Capital Management LP - Senior Analyst</p> <p>SC Fundamental LLC - Senior Analyst</p> <p>Saw Mill Capital LLC - Vice President</p>
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	<p>First Atlantic Capital Ltd. - Senior Associate</p> <p>Wasserstein Perella &amp; Co. Inc. - Associate and Financial Analyst</p>
<i>Disciplinary Information</i>	None
<i>Other Business Activity</i>	None
<i>Additional Compensation</i>	None
<i>Supervision</i>	Mr. Feldman is supervised by Liza Landsman.