# Regulation Best Interest Disclosure
# SoFi Securities LLC

Effective June 5, 2025

## Introduction

SoFi Securities LLC ("SoFi Securities" or "we"), member FINRA/ SIPC, is registered with the U.S. Securities and Exchange Commission as a broker-dealer. Several standards and rules have been put in place to ensure that when we make securities recommendations to you, we are acting in your best interest.

Regulation Best Interest (Reg BI): Under Reg BI, a broker-dealer or investment advisor making a recommendation to a retail investor must be acting in the investor's best interest at the time of the recommendation.

Customer Relationship Summary (Form CRS): Under Reg BI, broker-dealers and investment advisors are required to provide you with a Form CRS to help you make decisions about choosing to work with them.

PTE 2020-02: Under an exemption issued by the Department of Labor, when we make recommendations to you regarding your retirement plan account or Individual Retirement Account (IRA), including recommendations whether to roll assets into an IRA held with us, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act, as amended ("ERISA") and the Internal Revenue Code, as applicable. The way we make money creates some conflicts with your interests, so we operate under this special rule that requires us to act in your best interest and not put our interests ahead of yours.

## Our Services

We offer brokerage accounts and services for personal investing, including non-qualified accounts, retirement accounts (such as Individual Retirement Accounts ("IRAs")) and cash management services (e.g., Samsung Money by SoFi, or SMBS). These brokerage accounts generally allow you to invest in exchange traded funds, including alternatives, mutual funds, money market funds, stocks, options and IPOs.

We are an "introducing" broker-dealer. Our customers' accounts are held by Apex Clearing Corporation ("Apex"). Apex acts as the custodian of your account and assets. When you place an order or instruct us to move money or assets into or out of your account, we convey your instructions to Apex and assist you in making sure the instructions are processed correctly. Apex executes and settles your securities transactions, provides margin lending, sponsors or arranges cash sweep programs, issues account statements and transaction confirmation notices.

Your brokerage account is self-directed. This means that you or someone you designate will be solely responsible for deciding whether and how to invest in the securities, strategies, products and services we offer. You are responsible for independently ensuring that the investments in your account remain appropriate for you given your situation, needs and objectives.

SoFi Securities generally does not make recommendations to buy, sell or hold particular securities in your account, or recommend that you open an account through SoFi Securities that is specific to you and your situation at that time. We may provide investor education materials, tools or market data, but this type of information will never be a recommendation for you specifically. Unless we otherwise agree with you in writing, we will not monitor, review or update any recommendations or investments in your account, even if we have made a recommendation to you. We have two programs through which we solicit or refer transactions:

### IPO Center

Our IPO Center solicits interest in initial public offerings. These solicitations can be considered recommendations, so we will ask information about you as an investor to determine if investing in an IPO is suitable for you and in your best interest. Customers should note that expressing interest in or placing an order for an initial public offering stock does not guarantee that the customer will receive an allocation. We receive a selling concession on sales of these new issues which is paid by the customer and reflected in the overall price of the security. Visit www.SoFi.com/invest/ipo-investing for more information and important disclosures about our services and the risks of investing in initial public offerings.

### Referral Arrangement with Templum Markets

Also, we have established a referral arrangement with Templum Markets LLC ("Templum") allowing eligible retail investors who are accredited investors to access certain special purpose investment vehicles and private investment funds through Templum. We do not recommend any specific investments offered by Templum and any investment decision related to such products will be made by the retail investor as a customer of Templum. A more detailed disclosure document describing the nature of our relationship with Templum and related risks and conflicts of interest is available on our website at www.SoFi.com/invest/about-templum-private-markets.

To see the specific terms of our brokerage account agreement with you, please go to https://www.sofi.com/wealth/app/disclosures (log in is required). The agreements and disclosures will be under Active Investing.

## Fees & Costs

You will incur costs and be charged fees when you engage in certain activities in your accounts. On rare occasions, costs or fees are waived, discounted or negotiated based on assets or other business criteria. See our Fee Disclosure for more information.

These charges and fees include:

- Margin interest
- Exchange fees and regulatory fees on transactions in your account
- Stock borrow fees for short selling
- Account activity fees, including for account and asset transfers, nonsufficient funds, wire transfers, corporate actions

- Account inactivity fees
- Paper statement and confirm fees
- Account closing fees
- Fees for selling shares in an IPO within 120 days after acquisition
- Mutual fund transaction fees
- Interval and Tender Offer Fund transaction fees.

A current listing of our fees is available at www.sofi.com/invest/fee-schedule.

## Cash Management Programs

SoFi Money / Samsung Money by SoFi (SMBS): We no longer offer SoFi Money, however, we continue to service legacy customers. SoFi Money and SMBS customers have ATM access at any of the over 55,000 ATMs within the Allpoint network. We will not charge you a fee for using an in-network ATM, but you may be charged a fee by others. We do not reimburse you for any third-party fees you incur in connection with the use of an ATM.

## Mutual Funds & ETFs

All mutual funds and exchange traded funds incur transaction costs, expenses and other fees. Funds typically charge ongoing fees and operating costs, including operating expenses, management fees, 12b-1/servicing fees, and other expenses. These charges are deducted from the fund's assets, thereby reducing the shareholders' investment returns. Many funds pay a portion of the marketing and distribution fees to broker-dealers; SoFi receives a portion of these fees paid on its customers' holdings. Information about a fund's fees and expenses is contained in the fund Prospectus or in other documents such as the fund's Statement of Additional Information. Investors should request and read the fund's Prospectus before making an investment decision.

## Order Routing And Execution

As part of our clearing arrangement, Apex is responsible for executing, or routing for execution, all of our customers' orders. Apex receives payment from market venues to which customer orders are routed and also pays fees for execution of certain orders. Quarterly information about the market venues to which Apex routes orders and the payment received is available on its website at https://www.apexclearing.com/sec-rule-606-and-607/ or in written form upon request. Information regarding the specific routing destination and execution time of your orders for up to a six month period is also available upon request.

## Cash

Apex automatically invests, or "sweeps," the free credit balance (generally, the uninvested cash) in your eligible brokerage account into a liquid investment with the potential to earn interest. Most of our customers have the "bank sweep" feature, which automatically makes deposits to and withdrawals from deposit accounts at one or more banks (the "participating banks") whose deposits are insured by the Federal Deposit Insurance Corporation up to applicable limits. SoFi Bank, N.A. ("SoFi Bank"), is a participating bank. By agreement with us, Apex Clearing will sweep our customers' free credit balances to SoFi Bank unless there is a limit or other reason that the funds cannot be swept to SoFi Bank.

The customer's yield on the cash held in a deposit account at SoFi Bank will be lower than the yield on similar deposit accounts offered by SoFi Bank outside of the cash features program because we and Apex Clearing receive part of the interest paid by SoFi Bank on these accounts. This is a conflict of interest, as we have a financial incentive to recommend that you hold cash in a cash sweep deposit account rather than in an account held directly at SoFi Bank.

## Share Lending

When customers have purchased shares on margin, or when customers elect to participate in our share lending program, we lend customers' shares of stock to third parties. We receive payment for these stock loans, which we share with the customers whose shares are loaned. Thus, participating in stock lending is a way for customers to pursue additional revenue from their holdings. For more information on share lending generally, see https://www.sofi.com/learn/content/what-is-share-lending/

While loaned:

- the loaned shares are not covered by our SIPC insurance (but the cash collateral received for the loaned securities is covered)
- you bear risk that the borrower will not return the shares to you upon demand
- you will have no right to vote proxies on the loaned shares
- if your shares receive a dividend while your shares are lent out, the amount paid to you in lieu of the dividend is taxed as ordinary income rather than as dividends or qualified dividends.

## Investment Advisory Services Through SoFi Wealth LLC

Many of our registered representatives are also registered investment adviser representatives of our affiliate, SoFi Wealth LLC, which is an investment adviser registered with the SEC. Additional information about SoFi Wealth, LLC, and its registered investment adviser representatives is available on the SEC's website at www.adviserinfo.sec.gov. Brokerage accounts and services that we offer to you are separate and distinct from investment advisory services offered by SoFi Wealth. You will know when you are dealing with SoFi Wealth LLC, or with a representative acting in their capacity as a representative of SoFi Wealth LLC, because it offers distinct services that you select, you will enter into a separate agreement to receive those services, and you will receive a special written disclosure from SoFi Wealth LLC. Your representative will be acting only as a brokerage representative when providing services to your self-directed brokerage accounts.

## Material Conflicts Of Interest Created By How We And Our Affiliates Make Money

SoFi Securities is part of a family of companies, including banks and registered investment advisers, that offer a wide variety of financial products and services. We are a wholly owned subsidiary of Social Finance, Inc. ("SoFi").

We and our affiliates earn more money when you conduct more of your financial and investing business through us and our affiliates. Therefore, we have conflicts of interest due to the financial incentive to recommend products and services where we or our affiliates make the most money. You should understand these conflicts because they can affect the recommendations we provide to you. We mitigate the firm's conflicts based on how we pay our representatives to help you. For example, our representatives do not earn more or less for recommending transactions, or any specific products or services, to you.

We make money both directly and indirectly. An example of how we make money directly is from direct fees that you pay us for our services.

Here are some examples of how we make money indirectly:

- We and our affiliates make money on proprietary products and services that are sponsored or offered by our affiliates, including but not limited to:
  - banking services, credit cards and loans from SoFi Bank, N.A.
  - ETFs sponsored by our parent company, SoFi
  - insurance sold through SoFi Life Insurance Agency
  - investment advisory services from SoFi Wealth LLC
- We earn interest on uninvested cash, which is not passed on to you. We also earn interest on customers' cash held in sweep accounts held at certain banks, including SoFi Bank, N.A.
- We receive a portion of the order routing revenue paid to the clearing firm by third party market centers to which our customer orders are sent. Order routing revenue (also called payment for order flow) is a form of transaction-based revenue. The clearing firm, and we, have financial incentives to direct customer orders to the market centers that provide payments or rebates, subject to the clearing firm's and our best execution requirements.
- We receive a portion of the stock loan fees received by the clearing firm when it lends securities held in your account to third parties.

We seek to address these conflicts in several ways. For example:

- To the extent we make recommendations to you, we primarily use standardized methodologies and tools to provide guidance so that recommendations for your account are in your best interest based on your needs and circumstances as you have explained them to us.
- We train, compensate and supervise our representatives appropriately to provide you with the best customer experience, which includes offering products and services that are in your best interest based on your needs and circumstances. Our representatives are compensated on a salary basis. They are eligible for bonuses that are not tied to product sales.
- We disclose information to you about important conflicts of interest that are associated with our recommendations before we provide you with a recommendation so that you can make informed decisions.

## General Investment Risks

All investments involve risk of financial loss. Generally, risk and potential return are related: The greater the potential that an investment will provide a substantial return, the greater the risk that the investment may lose money. Similarly, investments that carry lower risk generally also offer lower potential returns. Disruptive events such as war, acts of terrorism, the spread of diseases or other public health problems, and recessions, can create market volatility and can magnify the risks of investing. Detailed information about a specific investment's risk is provided in other documents that we make available to you, including prospectuses, term sheets, offering materials, and on our website. Diversification can help reduce some investment risk, but it cannot guarantee profit or fully protect you in a down market.