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Form CRS Relationship Summary

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Which Type of Account is Right for You — Brokerage, Investment Advisory or Both?

There are different ways you can get help with your investments. You should carefully consider which types of accounts and services are right for you.

1) Introduction

DriveWealth, LLC (“DriveWealth”) is a SEC registered broker-dealer. Please read the below information carefully as they provide information to you about what types of services DriveWealth offers. Please note, that brokerage and advisory services and fees differ and it is important that you understand the difference so you can make the best decision regarding varying services which best suit your needs. Free tools and information are available to assist you at Investor.gov/CRS – which provides education materials about broker-dealers, investment advisers and investing.

2) Relationship Summary

DriveWealth is a clearing broker-dealer, which means its primary activity is to support other brokers and investment advisers in providing investment services to customers, such as yourself. In providing this service, when you establish an account through your broker or investment adviser, you are also opening an account in your name with DriveWealth, so that DriveWealth can fulfill its responsibilities in servicing your account, this relationship is generally called and “introducing” relationship, where your broker or adviser introduces your account to a clearing broker who supports the investment services of the broker or adviser.

In addition to establishing an account with DriveWealth, DriveWealth enters into a relationship with your broker or adviser, called a clearing relationship, which assigns certain responsibilities to DriveWealth that only some brokers are licensed to perform. These activities include supporting the funding of your account, the acceptance and execution of your orders, and reporting your account activity to you via trading confirms, account statements and the information your view while logged into your account via your broker or adviser. Additional information on what specific services are provided by DriveWealth as it relates to your account can be found below.

What investment service and advice can you provide me?

As described above, DriveWealth primarily offers brokerage services to other brokers and investment



advisers. While some brokers recommend specific securities or trading strategies to their customers, DriveWealth does not solicit, recommend or suggest any individual securities to you, nor does it recommend trading strategies or provide tax related advice as part of its services.

Depending on your needs and investment objectives, your introducing broker or investment advisor can provide you with services in a brokerage account, investment advisory account, or both at the same time. This document gives you a summary of the types of services they provide and how you pay for those services. Please ask them for more information. There are some suggested questions on page 4.

<i>Broker-Dealer Services Brokerage Accounts</i>	<i>Investment Adviser Services Advisory Accounts</i>
Types of Relationships and Services. <i>Our accounts and services fall into two categories.</i>	



- If you open a brokerage account, you likely will pay your introducing broker dealer a **transaction-based fee**, generally referred to as a commission, every time you buy or sell an investment. DriveWealth conducts transactions in your account as instructed by you or your introducing broker (broker). DriveWealth is the clearing agent for securities in your account and carries your account. Please refer to your introducing broker's fee schedule or contact the introducing broker for their specific fees.
- You may select investments, or they may recommend investments for your account, but the ultimate investment decision for your investment strategy and the purchase or sale of investments will be yours.
- Your broker can offer you additional services to assist you in developing and executing your investment strategy and monitoring the performance of your account, but you might pay more. DriveWealth will deliver account statements to you each quarter electronically.
- Your broker may offer a limited selection of investments. Other firms could offer a wider range of choices, some of which might have lower costs.

- If you open an advisory account, you will likely pay your advisor an on-going **asset-based fee** for advisory services. DriveWealth conducts transactions in your account as instructed by you or your investment advisor (advisor). DriveWealth is the clearing agent for securities in your account and carries your account.
- The advisor will offer you advice on a regular basis. They will discuss your investment goals with you, design a strategy to achieve your investment goals, and regularly monitor your account. They will contact you (by phone or e-mail) at least quarterly to discuss your portfolio.
- You can choose an account that allows them to buy and sell investments in your account without asking you in advance (a **"discretionary account"**) or they may give you advice and you decide what investments to buy and sell (a **"non-discretionary account"**).
- Their investment advice may cover a limited selection of investments. Other firms could provide advice on a wider range of choices, some of which might have lower costs.



Our Obligations to You. *We must abide by certain laws and regulations in our interactions with you.*

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| <ul style="list-style-type: none">• DriveWealth does not make any recommendations as to particular investments or investment strategies and does not provide advice as it relates to securities and tax matters. When we provide any services to you we must treat you fairly and comply with a number of specific obligations and cannot place our interest ahead of yours. In certain instances there may be conflicts of interest. We take every effort to monitor and mitigate those conflicts so that they do not impact the quality of service provided to your account. We provide disclosures where appropriate including, but not limited to, the issuance of 606 reports and the management of cash in your account via sweep programs. | <ul style="list-style-type: none">• DriveWealth does not make any recommendations as to particular investments or investment strategies and does not provide advice as it relates to securities and tax matters. When we provide any services to you we must treat you fairly and comply with a number of specific obligations and cannot place our interest ahead of yours. In certain instances there may be conflicts of interest. We take every effort to monitor and mitigate those conflicts so that they do not impact the quality of service provided to your account. We provide disclosures where appropriate including, but not limited to, the issuance of 606 reports and the management of cash in your account via sweep programs. |
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Broker-Dealer Services Brokerage Accounts	Investment Adviser Services Advisory Accounts
Fees and Costs. <i>Fees and costs affect the value of your account over time. Please ask your financial professional to give you personalized information on the fees and costs that you will pay.</i>	
<ul style="list-style-type: none"> • Transaction-based fees. You will pay a fee to your broker every time you buy or sell an investment. This fee, commonly referred to as a commission, is based on the specific transaction and not the value of your account. This may be in addition to other fees which might be charged by your broker. • With stocks or exchange-traded funds, this fee is usually a separate commission. With other investments, such as bonds, this fee might be part of the price you pay for the investment (called a “mark-up” or “mark down”). With mutual funds, this fee (typically called a “load”) reduces the value of your investment. • Some investments (such as mutual funds and variable annuities) impose additional fees that will reduce the value of your investment over time. Also, with certain investments such as variable annuities, you may have to pay fees such as “surrender charges” to sell the investment. • Your broker’s fees vary and are negotiable. The amount you pay will depend, for example, on how much you buy or sell, what type of investment you buy or sell, and what kind of an account you have with us. • DriveWealth may charge you additional fees, such as custodian fees for holding your account, account maintenance fees, and account inactivity fees. This is separate and apart from fees which may be charged by your broker. Their fees vary and are negotiable. The amount you are charged will depend, for example on the services you receive. 	<ul style="list-style-type: none"> • The amount paid to your advisor generally does not vary based on the type of investments they select on your behalf. The asset-based fee reduces the value of your account and will be deducted from your account. • For some advisory accounts, called wrap fee programs, the asset-based fee will include most transaction costs and custody services, and as a result, wrap fees are typically higher than non-wrap advisory fees. • Some investments (such as mutual funds and variable annuities) impose additional fees that will reduce the value of your investment over time. Also, with certain investments such as variable annuities, you may have to pay fees such as “surrender charges” to sell the • For accounts not part of the wrap fee program, you will pay a transaction fee when your investment advisor instructs DriveWealth to buy and sell an investment for you. • Although transaction fees are usually included in the wrap program fee, sometimes you will pay an additional transaction fee (for investments bought and sold outside the wrap fee program). • We charge your introducing advisor clearing and execution fees. For certain fees (for example, wire charges, etc.) we may charge the account directly or your introducing advisor could pick these up. The more they trade the more clearing and execution fees we charge your introducing broker. You may be incentivized by the introducing advisor to trade

- DriveWealth charges your broker fees for executing transactions in your account. We, and your broker, therefore, have an incentive to encourage you to engage in transactions. From a cost perspective, you may prefer a transaction-based fee if you do not trade often or if you plan to buy and hold investments for longer periods of time. We charge your introducing broker clearing and execution fees. For certain fees (for example, wire charges, etc.) we may charge the account directly or your introducing broker could pick these up. The more they trade the more clearing and execution fees we charge your introducing broker. You may be incentivized by the introducing broker to trade more, which results in our firm getting more fees from your introducing.
- **Sweep Program:** As noted in our account agreements interest in sweep programs is earned on funds swept and a portion of the interest is paid to DriveWealth, your introducing broker and yourself.

Please refer to your broker's Form CRS and/or fee schedule for more information on their fees.

more, which results in our firm getting more fees from your introducing.

- The more assets you have in the advisory account, including cash, the more you will pay us. We therefore have an incentive to increase the assets in your account in order to increase our fees. You pay our fee quarterly even if you do not buy or sell.
- Paying for a wrap fee program could cost more than separately paying for advice and for transactions if there are infrequent trades in your account.
- An asset-based fee may cost more than a transaction-based fee, but you may prefer an asset-based fee if you want continuing advice or want someone to make investment decisions for you. You may prefer a wrap fee program if you prefer the certainty of a quarterly fee regardless of the number of transactions you have.
- **Sweep Program:** As noted in our account agreements interest in sweep programs is earned on funds swept and a portion of the interest is paid to DriveWealth, your advisor and yourself

Please refer to your advisor's Form CRS and/or fee schedule for more information on their fees.



Broker-Dealer Services Brokerage Accounts	Investment Adviser Services Advisory Accounts
Conflicts of Interest. <i>We benefit from the services we provide to you.</i>	
<ul style="list-style-type: none"> • Your broker can make extra money by selling you certain investments, such as ... because they are managed by someone related to their firm or because they are offered by companies that pay their firm to offer their investments. Your financial professional also receives more money if you buy these investments. • DriveWealth does not make recommendations. • DriveWealth and your broker can buy investments from you, and sell investments to you, from our own accounts (called <i>“acting as principal”</i>). DriveWealth and your broker can earn a profit on these trades, so we have an incentive to encourage you to trade with us. 	<ul style="list-style-type: none"> • Your investment advisor can make extra money by advising you to invest in certain investments, such as ..., because they are managed by someone related to their firm. Your financial professional also receives more money if you buy these investments. • DriveWealth does not provide investment advice or advise you to invest in certain investments. • Your investment advisor can buy investments from you, and sell investments to you, from their own accounts (called <i>“acting as principal”</i>), <i>but only with your specific approval on each transaction.</i> They can earn a profit on these trades, so they have an incentive to encourage you to trade with us.
Additional Information. <i>We strongly encourage you to seek out additional information.</i>	
<ul style="list-style-type: none"> • DriveWealth does not have legal and disciplinary events. Visit Investor.gov for a free and simple search tool to research our firm, your broker or investment advisor and the financial professionals associated with those firms. • For additional information about the brokers and services, visit Investor.gov or BrokerCheck (BrokerCheck.Finra.org), our website, our partner’s website, and your account agreements. For additional information on advisory services, see your investment advisors Form ADV brochure on IAPD, on Investor.gov, or on their website (SAMPLEFirm.com/FormADV) and any brochure supplement your financial professional provides. • Helpful Tips: Educate yourself about investment products, including the risks and unique characteristics of those products, perform fee calculations, and review investor alerts and bulletins, and review educational information regarding broker-dealers and investment advisors. • To report a problem to the SEC, which has jurisdiction over investment advisors, visit Investor.gov or call the SEC’s toll-free investor assistance line at (800) 732-0330. To report a problem to FINRA, which has jurisdiction over broker-dealers, visit FINRA.org or call (301) 590-6500. 	



Key Questions to Ask. Ask our financial professionals these key questions about our investment services and accounts.

1. Given my financial situation, why should I choose an advisory account? Why should I choose a brokerage account?
2. Do the calculations math for me. How much would I expect to pay per year for an advisory account? How much for a typical brokerage account? What would make those fees more or less? What services will I receive for those fees?
3. What additional costs should I expect in connection with my account?
4. Tell me how you and your firm make money in connection with my account. Do you or your firm receive any payments from anyone besides me in connection with my investments?
5. What are the most common conflicts of interest in your advisory and brokerage accounts? Explain how you will address those conflicts when providing services to my account.
6. How will you choose investments to recommend for my account?
7. How often will you monitor my account's performance and offer investment advice?
8. Do you or your firm have a disciplinary history? For what type of conduct?
9. What is your relevant experience, including your licenses, education, and other qualifications? Please explain what the abbreviations in your licenses are and what they mean.
10. Who is the primary contact person for my account, and is he or she a representative of an investment adviser or a broker-dealer? What can you tell me about his or her legal obligations to me? If I have concerns about how this person is treating me, who can I talk to?

ADDITIONAL INFORMATION:

For additional information about DriveWealth's services and disclosures please visit our website at <https://legal.drivewealth.com/>.

Statements in this summary are mandated by the SEC Form CRS and do not create or modify any agreement, relationship or obligation between you and our firm. For more complete terms and conditions of our services please refer to our account agreement and disclosures.