

## A Summary of Your Relationship with EquityZen Securities

### About EquityZen Securities LLC

EquityZen Securities LLC ("EquityZen Securities" or "we" or "our") is registered with the Securities and Exchange Commission (the "SEC") as a broker-dealer and a member of FINRA/SIPC. We provide brokerage services rather than investment advisory accounts and services. Brokerage and investment advisory services and fees differ and it is important for you to understand the differences. For free and simple tools to research firms and financial professionals, visit [investor.gov/crs](https://investor.gov/crs).

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

- Typically, we offer brokerage services: we accept and execute transactions based on your instructions. We do not offer investment advice.
- We also offer you other services incidental to our brokerage services which can take the form of education, research, and access to tools available on EquityZen.com. We don't charge separate fees for these other services.
- You may invest on your own without communicating with us.
- We will not manage or monitor your investments or accept authority to execute trades on your behalf.
- Our typical minimum investment size is \$20,000, or \$10,000 for first time investors. We may offer reduced minimum investment sizes for selected investment opportunities.
- The selection of investments we offer on our platform is limited to privately held companies, either through private funds sponsored by an EquityZen affiliate, through funds sponsored by a third party, indirect investments via third-party fund vehicle, and in some cases directly in the securities of the companies themselves. Other firms offer more choices, some of which might have lower costs or different returns and features.

### Conversation Starters with your EquityZen Representative:

Given my financial situation, should I choose a brokerage service? Why or why not?  
How will you choose investments to recommend to me?  
What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?

### What fees will I pay?

- We don't charge you for signing up, but if you decide to buy or sell a membership interest in EquityZen sponsored funds, you will pay a commission (between 3% and 5% of the transaction amount) each time you buy or sell. Third-party sponsored funds may charge additional fees.
- The fee you pay is based on the size of each of your transactions and not on the overall value of your portfolio. You will pay the fee whether you make or lose money on your investments. You can read more details on fees for [buyers](#) and [sellers](#).
- Fees will reduce your investment returns over time. Please make sure you understand what fees you are paying.
- Some funds managed by EquityZen Advisors LLC ("EZA"), described below, have additional fees (for example, you may pay a percentage of the value of your investment in that fund each year).

### Conversation Starters with your EquityZen Representative:

Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

### What are your legal obligations to me when providing recommendations? How does EquityZen make money and what conflicts of interest do you have?

As noted above, we do not provide investment advice. We may, however, communicate information to you regarding investments we offer based on preferences and information you have provided to us or when we make new products available. When we



do so, you will make the final decisions. The way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts. Here are some examples.

EquityZen Securities makes money if you transact and makes more money the more you transact with us. We therefore have an incentive to give you the best experience we can using our platform to encourage you to transact. If you are an investor, we also have an incentive to suggest investments for which we have more supply than demand. Likewise, if you own a security you wish to sell, we have an incentive to encourage you to do so when we have more demand than supply. We have an incentive for you to sell on our platform, because we do not earn any revenue if you sell elsewhere.

EquityZen Securities primarily executes transactions in funds managed by its affiliate, EZA. For some funds, EZA receives periodic advisory fees and/or a profits interest. As a result, we have a greater incentive to encourage you to invest where EZA receives additional fees or a profit interest and to offer or recommend investments in funds managed by EZA because EZA uses our brokerage services to place transactions and shares revenue it earns on those investments with our common parent company, EquityZen Inc. To ensure a fair and equitable allocation of investment opportunities, we follow a written allocation policy which can be found here: [equityzen.com/allocation-policy](https://equityzen.com/allocation-policy). We have an incentive to encourage you to use the EquityZen platform and invest in funds managed by our affiliate, EZA. Other platforms offer a wider selection of investment opportunities or lower fees on the same or similar transactions to those that are offered on EquityZen. We and our affiliates also work with referral partners and third-party investment managers who may receive a share of our fees, who may share their fees with us and our affiliates, or who may charge you fees separate from our fees. When you fund an investment through EquityZen, your funds will be held in escrow until the closing conditions of the investment are met. The escrow agent may credit the escrow account with interest, for the benefit of the fund manager. The account credits may be used to pay any fees or expenses related to the investment. If an investment fails to close, the fund manager will keep any account credits.

**Conversation Starters with your EquityZen Representative:**

How might your conflicts of interest affect me, and how will you address them? Do you or your firm receive payments from anyone besides me in connection with my investments?

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

Our professionals receive a salary, bonuses, and equity in EquityZen Inc. If you make an investment after one of our professionals helps guide you through our process, sometimes that professional will earn a commission. The amount of commission they receive increases for larger transactions. Our professionals thus have an incentive to encourage you to transact on our platform, and typically earn higher commissions as your transaction size increases. Certain professionals who work with referral partners can be eligible to receive additional bonuses.

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

No. For free and simple tools to research our firm, our brokers, and other firms and brokers, including disciplinary events, visit [investor.gov/crs](https://investor.gov/crs), and BrokerCheck ([brokercheck.finra.org](https://brokercheck.finra.org)).

**Conversation Starters with your EquityZen Representative:**

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

**Additional Information**

To report a problem to the SEC, visit [investor.gov](https://investor.gov) or call the SEC's toll-free investor assistance line at (800) 732-0330. To report a problem to FINRA, visit [finra.org](https://finra.org). If you have a problem with your investments, portfolio, or financial professional, or if you would like additional information or a copy of the relationship summary, please contact us at [support@equityzen.com](mailto:support@equityzen.com).

**Conversation Starters with your EquityZen Representative:**

Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?



### **Summary of Substantive Changes**

Page 1: We disclosed that you may be charged additional fees for third-party sponsored funds.

Page 2: We disclosed additional conflicts of interests in “What are your legal obligations to me when providing recommendations? How does EquityZen make money and what conflicts of interest do you have?” regarding escrow account interest credits and third-party investment managers. In “How do your financial professionals make money?” we disclose a conflict of interests regarding referral partner fees.