Form CRS Customer Relationship Summary

September 10, 2022

Passfolio Securities, LLC **(Broker-Dealer)**	**Passfolio Advisers, LLC** **(Registered Investment Adviser)**
Item 1 – Introduction	
Passfolio Securities, LLC and Passfolio Advisers, LLC are affiliated firms. Passfolio Securities, LLC is registered with the United States Securities and Exchange Commission (SEC) as a broker-dealer and is a member of Financial Industry Regulatory Authority (FINRA) and Securities Investor Protection Corporation (SIPC). Passfolio Advisers, LLC is a registered investment adviser registered with the SEC. Brokerage and investment advisory services and fees differ and it is important for you to understand these differences. Free and simple tools are available to research firms and financial professionals at investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisers, and investing.	
Item 2 – Relationships and Services	
What investment services and advice can you provide me?	
Description of Services. We provide retail self-directed investors the ability to buy and sell exchange-traded securities through our website and mobile application.	*Description of Services.* We provide investment advisory services to retail investors.
Recommendations. We do not make recommendations of account types, securities or investment strategies.	*Recommendations.* Using online tools, we assess the client's financial circumstances. Based on the results of this assessment, we recommend a portfolio with a target asset allocation that we believe is appropriate for the client's financial circumstances. Clients may elect to receive discretionary portfolio management services, offered through a wrap-fee program. We do not offer comprehensive financial planning.
Monitoring. We will make available your account statements on our mobile application. We do not monitor or manage accounts.	*Monitoring*. If a client elects our discretionary portfolio management services, we are responsible for ongoing management of the client's portfolio, including monitoring investment performance, rebalancing to target allocations, and making adjustments to the portfolio as we deem necessary. We periodically review the investment options used in our portfolios and may replace them or adjust allocations as we deem necessary to maintain the asset allocation in the portfolio.
Investment Authority. You are solely responsible for trading and investment decisions in your account. We do not have the authority to manage your accounts on a discretionary basis and we do not trade in your accounts.	*Investment Authority.* Clients have the sole discretion to accept our portfolio recommendation, or to reject our recommendation and select a different portfolio. Once the client accepts an allocation portfolio, the client may elect to engage us for our discretionary portfolio management services. This means that we have the authority to implement investment strategies and transactions to meet stated objectives without requiring the client's prior authorization.
Limited Investment Offerings. We offer a limited selection of investments. Other firms could offer a wider range of choices, some of which might have lower costs. The investments offered primarily include publicly-traded equities.	*Limited Investment Offerings.* Portfolios include exchange-traded funds (ETFs).
Account Minimums and Other Requirements. We do not currently impose any minimum or maximum account balances, although we reserve the right to impose them in the future.	*Account Minimums and Other Requirements.* Clients are required to deposit a minimum of $100 to open an account, and must maintain a minimum balance of $100.

Additional Information. This is a brief summary of our services. For additional information on our services, please refer to: • Your account agreement • BrokerCheck • Our website • Form CRS FAQ	*Additional Information.* This is a brief summary of our services. Additional information is available in our Form ADV Part 2A, Appendix 1 ("Wrap Fee Brochure"). Instructions for obtaining a copy of our Wrap Fee Brochure are in Item 5 below.
Conversation Starters. **Ask your financial professional:** • *Given my financial situation, should I choose an investment advisory service? 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?*	
Item 3 – Fees, Costs, Conflicts, and Standard of Conduct	
What fees will I pay?	
Principal Fees and Costs. You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying	*Principal Fees and Costs*. The fee for the wrap fee program is 0.75% annually, paid on a monthly basis in arrears. The fee is calculated on the daily balance, which is multiplied by 0.75%, then divided by the number of days in the year.
Transaction-Based Fees. We charge fees based on the specific transaction and not the value of your account. Each transaction has a set of applicable fees. You will be charged the applicable fee unless the transaction qualifies as a "Free Trade". "Free Trade" -We do not charge a commission fee on the first 10 trades each month unless the user turns on real-time market data in their settings or the Low-Priced Stock or Volume Fee are applicable in which case the higher of the Low-Priced Stock or Volume Fee will be charged. Standard Fee - 0.25% commission per trade (with a minimum of $1 or a maximum of $8) applicable on trades that do not qualify as a "Free Trade". Low-PricedStock Fee - Maximum of 0.25% commission or $0.25 per share (fractional share amounts round up) applicable on trades where the price of the stock at the time the order is submitted is under $5. Volume Fee - 0.1% commission applicable on trades if your stock trades for the month are greater than USD $1 million.	*Wrap Fee Programs*. Asset-based fees associated with a wrap fee program will include most transaction costs and fees to a broker-dealer that has custody of these assets, and therefore may be higher than a typical asset-based advisory fee for similar services.
Other Fees and Costs. We charge account maintenance fees for Passfolio Pro which gives you access to our dividend reinvestment program, margin trading, and stop orders. The annual subscription costs $50 per year and is billed annually, while the monthly subscription costs $5 per month and is billed monthly. For more information, visit https://www.passfolio.com/products/pro. We also charge margin interest, calculated as a percentage on funds you borrow to purchase securities in a margin account. We do not charge custodial fees and account inactivity fees. We do charge fees	*Other Fees and Costs*. In addition to our advisory fees, you may incur other fees and costs, such as custodian fees, account maintenance fees, fees related to ETFs, or other administrative fees. In addition, the broker charges a fee of $0.25 per share for securities priced less than $5. Please refer to our Item 4 of our Wrap Fee Brochure for details on additional fees.

associated with specific activity in your account, such as wire transfer fees, ACH fees, and fees for outgoing transfers.	
Additional Information. You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. For additional information on our fees, please visit the Fees page of our website.	*Additional Information*. You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. Additional information about our fees is available in Item 4 of our Wrap Fee Brochure. Instructions for obtaining a copy of our Wrap Fee Brochure are in Item 5 below.
Conversation Starter. **Ask your financial professional:** • *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 as my broker dealer or when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?	
Standard of Conduct. We ***do not*** provide recommendations as your broker-dealer. The way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the services we provide you. Here are some examples to help you understand what this means.	*Standard of Conduct.* ***When we act as your investment adviser,*** we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means.
Conflicts of Interest. We charge you higher fees the higher any of the following is in your account: the number of transactions, the number of transactions in securities priced under $5, the value of your transactions. We will share in revenue earned on securities lending, cash balances, payment for order flow, and other ancillary fees generated by DriveWealth. Passfolio Securities LLC is an affiliate of Passfolio Financial LLC, a US Money Service Business registered with FinCEN. Passfolio Securities LLC indirectly shares in revenue generated through cash management, currency exchange and crypto fees. This presents an incentive for us to encourage your use of Passfolio Financial LLC's services.	*Conflicts of Interest.* An asset-based fee presents a conflict of interest because the more assets you have in your advisory account, the more you will pay in fees; therefore, we have an incentive to encourage you to increase the assets in your account. We are under common ownership with the broker used in the wrap fee program. Typically, this would present a potential conflict of interest; however, we mitigate this conflict by including most transaction costs in our wrap fee. Passfolio Advisers LLC is an affiliate of Passfolio Financial LLC, a US Money Service Business registered with FinCEN. Passfolio Advisers LLC indirectly shares in revenue generated through cash management, currency exchange and crypto fees. This presents an incentive for us to encourage your use of Passfolio Financial LLC's services. For more information, view Form ADV Part 2, Item 9.
Proprietary Products. We do not sell investments that are issued, sponsored, or managed by us or our affiliates.	*Proprietary Products.* We do not recommend investments that are issued, sponsored, or managed by us or our affiliates.
Third-Party Payments. We do not receive compensation from third-parties to promote, offer or sell any specific securities or investments. Our financial professionals do not receive more money if you buy certain investments.	*Third-Party Payments.* We do not receive compensation from third-parties to promote, offer or sell any specific securities or investments. Our financial professionals do not receive more money if you buy certain investments.
Revenue Sharing. Our clearing firm shares with us interest revenues on the cash balance in your account, and the payments they receive from trade execution venues when they send your orders to these venues for execution.	*Revenue Sharing.* We do not have any revenue sharing agreements in place.
Principal Trading. We do not buy investments from you, and sell investments to you, from our own accounts (called "acting as principal"), so we have no incentive to encourage you to trade with us.	*Principal Trading.* We do not buy investments from you, and sell investments to you, from our own accounts (called "acting as principal").

Fractional Shares We facilitate transactions in fractional shares that are less than one full share. We have an incentive to encourage you to buy these shares as they are not transferable and therefore encourage you to remain as a client.	*Fractional Shares* We facilitate transactions in fractional shares that are less than one full share. We have an incentive to encourage you to buy these shares as they are not transferable and therefore encourage you to remain as a client.
***Conversation Starter.* Ask your financial professional:** • *How might your conflicts of interest affect me, and how will you address them?*	
How do your financial professionals make money?	
Employees are typically paid on a salary basis. Because employees do not provide individualized advice, such compensation is not based on factors such as the amount of client assets they service, the time and complexity required to meet a client's needs, the product sold (differential compensation); product sales commissions, or revenue we earn from financial professionals' advisory services or recommendations.	Our sole source of revenue is from the asset-based fee described above. Principals receive a portion of the firm's profits. Employees are typically paid on a salary basis. Because employees do not provide individualized advice, such compensation is not based on factors such as the amount of client assets they service, the time and complexity required to meet a client's needs, the product sold (differential compensation); product sales commissions, or revenue we earn from advisory services or recommendations.
Item 4 – Disciplinary History	
Do you or your financial professionals have legal or disciplinary history?	
No. Visit investor.gov/CRS for a free and simple search tool to research our firm and our financial professionals.	No. Visit investor.gov/CRS for a free and simple search tool to research our firm and our financial professionals.
***Conversation Starter.* Ask your financial professional:** • *As a financial professional, do you have any disciplinary history? For what type of conduct?*	
Item 5 – Additional Information	
For additional information about our brokers and services, please refer to: • Your account agreement • investor.gov/CRS • BrokerCheck • Our website • Form CRS FAQ You may also contact us at +1 (256) 530-2387 or through the Support Center of our website to request copies of these documents free of charge at any time.	Additional information is available in our Wrap Fee Brochure. An up-to-date copy of our Form CRS is available on our website at www.passfolio.com. You may also contact us at +1 (256) 530-2387 or through the Support Center of our website to request copies of these documents free of charge at any time.
***Conversation Starters.* Ask your financial professional:** • *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?*	

Exhibit A – Summary of Material Changes

Since our last combined Form CRS dated July 1, 2022, we have made the following material changes:

For Passfolio Securities, LLC:

- Item 3 -- *Transaction-Based Fees.* We have updated our fee schedule, as outlined in Item 3.

For Passfolio Advisers, LLC:

- Item 3 -- *Transaction-Based Fees.* We have updated our fee schedule, as outlined in Item 3.