Kraken Securities LLC | Customer Relationship Summary | Effective October 22, 2025

Introduction

Kraken Securities LLC ("Kraken Securities", "we", or "our") is registered with the Securities and Exchange Commission ("SEC") as a broker-dealer and is a member of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investor Protection Corporation ("SIPC"). Free and simple tools are available for you to research firms and financial professionals at investor.gov/CRS, which also provides education materials about broker-dealers, investment advisors, and investing.

What investment services and advice can you provide me?

Kraken Securities offers app-based and online brokerage services allowing retail investors (hereinafter, "customers") to purchase and sell publicly-traded securities commission-free. We offer customers the ability to trade certain stocks and exchange-traded funds ("ETFs"). Kraken Securities is an introducing broker-dealer, which means your funds and securities will be custodied by our designated clearing firm, Alpaca Securities ("Alpaca"). Alpaca is responsible for servicing your account by executing, clearing, and settling your trades; preparing and distributing account statements and trade confirmations, and extending credit to margin accounts. Our brokerage services are self-directed, which means that we execute trades only upon your instruction and have no discretion over your account activity. Kraken Securities does not make recommendations regarding securities transactions or investment strategies involving securities. It is exclusively the customer's responsibility to select assets that satisfy their individual needs.

Kraken Securities, together with its affiliate, Payward Interactive, Inc. ("MSB"), offers distinct services and products (stocks, ETFs, and options) that can be found through the Kraken website and mobile applications. Cryptocurrency transactions are facilitated by Payward Interactive, Inc., which is not a member of FINRA or SIPC, while stock, ETF, and options transactions are supported by Kraken Securities, the broker-dealer. Kraken Securities does not offer mutual funds, retirement accounts, bonds, or proprietary products. Kraken Securities requires a minimum trade size of $1. We do not provide account or investment monitoring services, nor make recommendations. For additional information, please see Kraken Securities's Disclosure Library (https://www.kraken.com/legal/equities).

Conversation Starter:
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?

Kraken Securities does not charge commissions for brokerage services or options. Customers may incur charges imposed by the designated custodian and other third parties. These include transfer fees, administrative fees, and other fees and taxes on brokerage accounts and securities transactions. ETFs also charge internal management fees (expense ratio), which are disclosed in the fund's prospectus. Kraken Securities does not receive these fees from ETF managers. Customers may also use other products or services available through our affiliates and, in such cases, pay additional fees for such services. All fees and additional information can be found on the Kraken.com website. 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. Our fees page is here.

Conversation Starter:
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 investment recommendations can you provide to me?

Kraken

What are your legal obligations to me when providing recommendations? How else does your firm make money, and what conflicts do you have?

We ***do not*** provide recommendations. 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.

- Kraken Securities will share in revenues earned on payment for order flow, margin, and other ancillary fees generated by Alpaca.
- Kraken Securities is incentivized to promote services provided by its affiliate, the MSB, because it indirectly benefits from revenue generated from such services, given common beneficial ownership.
- Cash deposited and used for stock, ETF, and cryptocurrency trading is held in bank accounts that may pay the MSB interest. This earned interest is not shared with you.

Conversation Starter: How might your conflicts of interest affect me, and how will you address them?

How do your financial professionals make money?

Kraken Securities' financial professionals receive salaries and bonuses that are based on their overall job responsibilities and performance rather than specific customer activity, commissions, or assets. The firm earns the following fees when providing its services to you:

1. Kraken Securities earns revenue in the form of payment for order flow from your trade activity and, therefore, has a monetary incentive for you to trade more. Specifically, we earn revenue from our clearing firm (Alpaca) after it receives compensation from executing broker-dealers for the customer orders we receive and then send to Alpaca. This arrangement is subject to our best execution requirements. Learn more about order routing and best execution at https://kraken.com/legal/equities.
2. There is an incentive for Kraken Securities to have customers keep excess cash in their affiliate accounts, as that may make it more likely for customers to engage in future trading activity. Additionally, there are instances when Kraken Securities affiliates earn interest on customer cash.
3. Other fees and costs: For a full list of fees and costs, including those charged on transactions such as wires, reversed ACH deposits, regulatory, the LQT ("Liquidity") fee, and others, please see the Kraken.com website for more details.

Do you or your financial professionals have legal or disciplinary history?

Yes.

Visit www.investor.gov/CRS for a free and simple search tool to research Kraken Securities and its financial professionals. Additionally, certain entities affiliated with Kraken Securities through its ultimate parent have disciplinary histories.

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

Where can I find additional information?

For additional information about our brokerage services or to request up-to-date information and a copy of our CRS, please contact our Customer Service Center or call 1 (888) 837-8818. You can also visit our Equities Disclosures page and view our Form CRS Conversation Starters. Additional information about our financial professionals and the Firm can also be found at brokercheck.finra.org/. Kraken Adviser LLC, which provides advisory services Form CRS is HERE

Conversation Starter: Who is my primary contact person? Are they 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?