

## Conversation Starter Questions and Answers

**Question:** Given my financial situation, should I choose brokerage services? Why or Why not?

**Answer:** Brokerage services may not be right for everyone, as investors may get back less than they invested, and past performance is not a reliable indicator of future result. When making your decision on whether to invest, evaluate your investment objective, tolerance for risk, and your time horizon, among other things. Additionally, carefully consider the services offered by brokerage firms and fees to determine where to open an account. You can also visit [investor.gov/CRS](http://investor.gov/CRS), a site created by the Securities and Exchange Commission, which has free and simple tools to help you research firms and financial professionals, as well as educational materials about broker-dealers, investment advisers, and investing.

**Question:** How will you choose investments to recommend to me?

**Answer:** ETC Brokerage does not choose or recommend investments to its customers. Also, ETC Brokerage does not conduct suitability analysis for its clients. ETC Brokerage offers self-directed accounts.

**Question:** What is your relevant experience, including your licenses, education and other qualifications?

**Answer:** ETC Brokerage registered representatives have several years' experience in the industry. Our representatives have college degrees and at least the FINRA Series 7. Each representatives' licenses can be found on [brokercheck.finra.org](http://brokercheck.finra.org).

**Question:** What do these qualifications mean?

**Answer:** A FINRA Series 7 license sets a level of competency for registered representatives to work in the securities industry. As a result of licensing and training, ETC Brokerage representatives are ready to assist customers with their self-directed investments.

**Question:** Help me understand how these 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.

**Answer:** At ETC Brokerage, if you invest \$10,000 in a broad market ETF or mutual fund, for example, and place the purchase online, the fee is \$24.95, which leaves \$9,975.05 to invest in that asset. If you make that same trade over the phone, the fee is \$49.95, which leaves \$9,950.05 to invest in the asset. This fee is per trade. Additionally, your fees may be different if you are working with another broker dealer or retail investment advisor. Please consult your representative at that firm for more information regarding fees that may be charged separate from ETC Brokerage.

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

**Answer:** ETC Brokerage's affiliate, Equity Trust Company, acts as custodian for your broker dealer account. Meaning, to have an account at ETC Brokerage, you must have an account at Equity Trust Company. Additionally, ETC Brokerage's other affiliate, Equity Advisor Solutions, provides back office work for many retail investment advisors and broker dealers, which may use ETC Brokerage to assist in executing trades. Additionally,

ETC Brokerage has a relationship with AXOS Clearing LLC, to clear trades for ETC Brokerage.

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

Answer: Yes. In 2017, FINRA issued a censure against ETC Brokerage related to information that was being reported to the Order Audit Trail System. ETC Brokerage updated its written supervisory procedures to correct the issue. Please consult [Investor.gov/CRS](http://Investor.gov/CRS) for more information.

**Question: Who is my primary contact person?**

Answer: ETC Brokerage does not assign representatives to accounts. Customers may contact us at (877) 403-0369 and a representative will be glad to assist you. You may also e-mail us at [www.etcbrokerage.com](http://www.etcbrokerage.com).

**Question: Is he or she a representative of an investment adviser or a broker-dealer?**

Answer: ETC Brokerage registered representatives are licensed with ETC Brokerage Services, a broker-dealer.

**Question: Who can I talk to if I have concerns about how this person is treating me?**

Answer: Customers may escalate concerns to the manager or supervisor of ETC Brokerage. Additionally, customers may reach out to Steve Bocan, COO, of ETC Brokerage at [s.bocan@etcbrokerage.com](mailto:s.bocan@etcbrokerage.com).