

eToro USA Securities Inc.

Form Customer Relationship Summary ("CRS")

January 14, 2022

eToro USA Securities Inc. ("eToro Securities" or "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 educational materials about broker-dealers, investment advisers, and investing.

What investment services and advice can you provide me?

eToro Securities offers app-based (and online) brokerage services allowing retail investors (hereinafter, "customers"), which are currently limited to individuals or corporate entities located within the United States, to purchase and sell publicly traded securities commission free. We offer customers the ability to trade certain stocks and exchange-traded funds ("ETFs"). eToro Securities is an introducing broker-dealer which means your funds and securities will be custodied by our designated clearing firm, Apex Clearing Corporation ("Apex"). Apex 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. All securities listed on the eToro Platform, as defined below, are supported by Apex and approved by eToro Securities. Our brokerage services are self-directed, which means that we execute trades only upon your instruction and have no discretion over your account activity. eToro Securities does not make recommendations regarding securities transactions or investment strategies involving securities. We *do not* monitor your account or the trade instructions you submit for suitability. We offer access to investment tools and education to help you make investment decisions, but these tools are provided for informational and educational purposes only. It is exclusively the customer's responsibility to select assets that satisfy their individual needs.

eToro Securities, together with its affiliate, eToro USA LLC ("eToro MSB") operate an online platform (the "eToro Platform"). The eToro Platform allows customers to invest in: (1) certain cryptocurrency assets ("Crypto Assets"); and (2) publicly traded securities which currently include: ETFs and full and partial shares of stock trading on major U.S. exchanges ("Stock") (collectively "Securities"). Crypto Assets transactions are facilitated by eToro MSB, which is not a member of FINRA or SIPC. To use the eToro Platform all customers must have accounts with eToro MSB and eToro Securities. Therefore, residents of States in which eToro MSB is unable to or chooses not to offer its services, including but not limited to the State of New York and Hawaii, are prohibited from obtaining such services from eToro Securities and its affiliates. The eToro Platform does not offer mutual funds, different account types, fixed income securities (except in the form of ETFs), or proprietary products. eToro Securities currently requires customers to maintain a minimum account size of \$10.

For additional information about our services, including our Fully Paid Stock Lending program ("FPSL") Disclosures,

Conversation Starters

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?

please see eToro's Disclosures page and Customer Agreement, etoro.com/en-us/disclosures/.

What fees will I pay?

eToro Securities does not charge commissions for brokerage services.

Other Fees and Costs

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, which are disclosed in the fund's prospectus. eToro Securities does not receive these fees or any other compensation from ETF managers.

eToro's affiliate, eToro MSB, may charge you fees for the services it offers with respect to buying and selling Crypto Assets and certain custodial wallet services. All fees can be found on our fees page etoro.com/en-us/trading/fees/. Customers participating in the Platform may also use other products or services available through our affiliates and, in such cases, pay additional fees for such services.

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 regarding our fees and costs, please see the eToro Fee Schedule,

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?

etoro.com/en-us/trading/fees/

What are your legal obligations to me when providing recommendations? How else does your firm make money and what conflicts of interest 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.

- eToro Securities will share in revenue earned on securities lending, margin, payment for order flow, and other ancillary fees generated by Apex.
- eToro Securities is incentivized to promote services provided by its affiliate, eToro MSB, because it indirectly benefits from revenue generated from such services, given common beneficial ownership. For additional information about conflicts of interest, please see etoro.com/en-us/disclosures/.
- When you open an eToro Securities account and are enrolled in our FPSL, we receive compensation in connection with these loans which will be used to offset the fees and expenses of your account and generate revenue for the broker

Conversation Starter

How might your conflicts of interest affect me and how will you address them?

dealer. Use of loaned securities to facilitate short selling could put downward pressure on the price of loaned securities. For the duration of the loan, loaned securities will lose their voting rights as well as their coverage under the SIPC.

How do your financial professionals make money?

eToro Securities' financial professionals receive salaries and bonuses that are based on their overall job responsibilities and performance. eToro Securities' financial professionals *do not* receive commissions or other compensation related to customer assets or customer investment activities.

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

No; neither eToro Securities nor their staff have any legal or disciplinary history. However, certain entities affiliated with eToro Securities through its parent eToro Group Ltd. do have disciplinary histories. Visit investor.gov/CRS for a free and

Conversation Starter

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

simple search tool to research eToro Securities and its financial professionals.

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

Conversation Starters

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?

CRS, please email help@etoro.com, visit etoro.com/en-us/customer-service/, or call 1-800-867-5309. Responses to the

conversation starters included in this CRS are available at etoro.com/en-us/disclosures/. Additional information about our financial professionals and the Firm can also be found at brokercheck.FINRA.org.