



## Customer Relationship Summary

### 1. Introduction

FirstTrade Securities Inc. (“FirstTrade” or “We”) 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). 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](http://Investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

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

#### 2. Relationships and Services

FirstTrade is an online discount broker-dealer that provides self-directed brokerage services and a complete suite of investment products. FirstTrade **does not** provide investment advice or make recommendations to you on what type of account to open. You decide the type of account, type of investment, and when to purchase or sell an investment. Apex Clearing Corporation is the clearing firm that carries your account.

- We provide self-directed investors with an online and mobile trading platform. The ultimate decision as to your investment strategy and the purchase or sale of investments will be yours.
- The investment products that we provide to you are stocks, Fixed Income Securities, CDs, mutual funds, index funds, Exchange Traded Funds (ETFs), options, margin investing, Dividend Reinvestment Plans (DRIP’s) and Securities Lending Income Programs.
- We do not monitor the performance of your account. We do check your account for other purposes such as compliance and to ensure your account does not present undue risk to FirstTrade.

Additional Information:	Please visit our website ( <a href="http://www.firsttrade.com">www.firsttrade.com</a> ) for more detailed information about our broker-dealer products and services.
Conversation Starter:	• <i>Given my financial situation, should I choose a brokerage service? Why or why not?</i>

### **What fee will I pay?**

#### 3. Fees, Costs, Conflicts and Standard of Conduct

- **Commissions:** Commissions are transaction-based fees charged by brokers. We currently offer \$0 transaction fees (commissions) for **online orders** when you buy or sell a stock, mutual fund, index fund, exchange traded fund or option. There is a fee on **phone orders**: Stocks/ETFs - \$19.95; Options - \$19.95+\$0.50/contract; Load Funds - No Charge; No-Load Funds - \$19.95, which is subtracted from your investment amount at the time of purchase. A Short-Term Redemption Fee of \$19.95 will be applied to redemptions of mutual fund shares held less than 90 days. Please see our fee schedule at [firsttrade.com/pricing](http://firsttrade.com/pricing).
- **Exchange, Regulatory, and Clearing Fees:** Exchanges, clearing houses and regulators may charge FirstTrade fees. These fees may be charged to your account depending on the products you trade.
- **Account Maintenance Fees:** There are no account maintenance or inactivity fees.
- **Subscription Service Fees:** You have free access to the third-party research tool and market data.
- **Interest and Financial Costs:** If you borrow on margin or borrow stock for short selling, the margin interest and stock borrow fee will apply to your account, please see our rate chart at [firsttrade.com/pricing/marginrate](http://firsttrade.com/pricing/marginrate).
- **Description of Other Fees and Costs:**
  - Mutual funds, index funds and exchange traded funds may impose internal fees and expenses, which will reduce the amount of your investment.

- Bonds and CDs have mark-ups or mark-downs which are costs included in the price you pay for the investment.
- We deliver monthly/quarterly account statements to you electronically or in paper format as instructed by you. If the electronic delivery registration fails an extra mailing fee will apply.

Additional Information:	You will pay any applicable 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.
Conversation Starter:	• <i>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?</i>

**What are your legal obligations to me when providing recommendations? How 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.

- We do not receive any incentives on any investments that you make.
- We do not conduct proprietary trading against customer accounts.
- We receive third-party payments, such as 12b-1 fees from mutual fund companies.
- We share interest revenue from the clearing firm on customer credit and margin balances.
- We receive payment for order flow and securities lending from the clearing firm and market makers, and other third parties through whom Firstrate executes customer orders.

Additional Information:	We mitigate potential conflicts of interest by not providing recommendations as to what investment products to purchase, sell or hold. We prohibit our employees from recommending investments or providing investment, financial, legal or tax advice to retail investors.
Conversation Starter:	• <i>How might your conflicts of interest affect me, and how will you address them?</i>

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

Our financial professionals are paid a fixed base salary and merit-based discretionary bonuses. The bonus component is calculated based on factors including company and individual performance and may include cash and non-cash compensation. They **do not** receive product sales commissions or revenue from advisory services or recommendations.

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

**4. Disciplinary History**

Yes. Visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research us and our financial professionals. Firstrate is regulated by the U.S. SEC, FINRA, each of the U.S. stock exchanges and option exchanges, each U.S. state securities regulator. Please go to [brokercheck.finra.org](http://brokercheck.finra.org) for additional information.

**5. Additional Information**

You can find additional information about our services on our web site ([www.firstrate.com](http://www.firstrate.com)). You can also request up-to-date information or a copy of the *relationship summary* by calling us at 800-869-8800.

Additional Information:	We are a broker-dealer rather than an investment advisory firm. We do not assign registered representatives to manage client accounts. If you have any concerns regarding the service that you receive, you can contact us at by email at <a href="mailto:service@firstrate.com">service@firstrate.com</a> .
Conversation Starter:	• <i>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?</i>