



tastytrade, Inc. Customer Relationship Summary

Introduction

tastytrade, Inc. ("tastytrade", "we", "our", or the "Firm"), previously known as tastyworks, Inc., is registered with the Securities and Exchange Commission ("SEC") and the Financial Industry Regulatory Authority ("FINRA") as a broker-dealer. Brokerage and investment advisory services differ, and it is important for the retail investor to understand the differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://www.investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

What investment services and advice can you provide me?

tastytrade is an online introducing broker-dealer that offers self-directed brokerage services to retail investors. We offer you the ability to buy and sell investment products, such as stocks, options, futures, and others in a brokerage account. The following types of brokerage accounts are offered at tastytrade: Cash, Margin, Joint with Rights of Survivorship, Joint with Tenants in Common, Traditional IRA, Roth IRA, SEP IRA, Portfolio Margin, and Futures.

We solely act in a broker-dealer capacity and do not make recommendations of any kind, which includes investment advice and/or specific recommendations on account types. All trading in your tastytrade account is directed by you or your self-appointed authorized agent (by way of a mutually signed Limited Trading Authorization Agreement). We do not have or offer discretionary trading authority over your account. We do not monitor the performance of your account for purposes of recommending changes to your investments, and we do not make recommendations as to whether you should buy, sell or hold investment products. Tools to assist you with monitoring your own account are provided to you on our trading platform and in our online [Help Center](#). We do, however, conduct routine monitoring of all of our customers' accounts for other purposes such as compliance requirements and to ensure your account does not pose excessive risk to tastytrade. All of tastytrade's employees are prohibited from making recommendations or providing investment advice, and none of our registered representatives are employed to manage your account. On the other hand, our registered representatives are permitted and more than willing to assist you with platform and general trade questions, or place a broker-assisted trade for you in your account upon confirmation of your explicit instruction to do so at no additional cost or fee.

We do not offer proprietary products. In general, there are no account minimums or other requirements to open or maintain a brokerage account with us. Specific products and services, such as utilizing Portfolio Margin, have minimum equity or other requirements. For more information about the account types and products we offer, please visit tastytrade.com and navigate to 'Accounts' and 'Trading Products'.

Questions you may want to ask your financial professional:

- Given my financial situation, should I choose a brokerage service? Why or why not?
- What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?

What fees will I pay?

The principal fees and costs you may incur for our brokerage services are: (i) Commissions; (ii) Exchange, Regulatory, and Clearing Fees; (iii) Interest Costs; and (iv) Back-Office and Cashiering Fees. These fees and costs will vary depending on the products you trade, the volume of your trading, and the additional services you may choose to use. 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. tastytrade does not compensate its employees based on trades made or fees paid by you. The following is an overview of the fees and costs mentioned above:

- **Commissions:** Commissions are transaction-based fees charged by brokers for its trade execution services. Our commissions vary depending on the products you trade and the size of your trades. Please visit tastytrade.com/pricing for full details on our commission schedule and fees.
- **Exchange, Regulatory, and Clearing Fees:** Exchanges, regulators, and clearing firms charge certain fees to tastytrade that we directly pass through to you. These fees may be charged to your account in addition to commissions depending on the products you trade. Exchange, Regulatory, and Clearing Fees charged to you could be greater than the net cost paid by tastytrade for the corresponding fee (we may receive aggregate volume discounts that are not passed on to you). Please visit tastytrade.com/commissions-and-fees for more details and a complete list of applicable fees.

- **Interest Costs:** If you open a margin account and borrow on margin or borrow stock for purposes of short selling, you will be charged margin loan interest and/or stock borrow fees. Please visit tastytrade.com/commissions-and-fees to see our margin rates.
- **Back-Office & Cashiering Fees:** Should you choose to utilize some of the services offered to you in addition to online trading, you may incur fees charged by tastytrade or directly passed through to you from our clearing firm (such as an outgoing wire or check processing fee). Please visit tastytrade.com/commissions-and-fees for a complete list of banking and trade related fees.

A question you may want to 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? How else does your firm make money and what conflicts of interest do you have?

We **do not** provide recommendations. We make money by charging commissions and receiving payment for order flow on your self-directed trading, as well as receiving interest on uninvested cash in your account. Some of the ways in which we make money can create conflicts with your interests. You should understand and ask us about these conflicts because they can affect the services we provide you. Here is an example of a potential conflict of interest:

- **Payment for Order Flow:** We receive payment for order flow from certain exchanges, market makers, and other third parties through whom tastytrade executes customer orders. We mitigate this conflict of interest through explicit disclosure to you and by selecting execution venues for customer orders based first on the benefit to the customer, rather than to tastytrade.

You can read our latest Order Routing Disclosure Report [here](#).

A question you may want to 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?

tastytrade employees are compensated by salary and discretionary bonuses. The Firm determines an employee's bonus based on factors including company and individual performance. tastytrade employees are **not** compensated based on commissions, fees, performance of your accounts, the amount of your assets, the products you buy or sell, or revenue earned from services chosen by you or trades placed by you.

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

Yes. Some of our registered representatives have legal and/or disciplinary disclosures unrelated to their employment with tastytrade. Given the nature of the activities related to the disclosure events, we strongly believe they do not negatively impact tastytrade's ability to provide ethical broker-dealer operations. Please visit Investor.gov/CRS for a free and simple search tool to research tastytrade and our financial professionals.

A question you may want to ask your financial professional:

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

Additional Information

You can find additional information about tastytrade and our brokerage services at tastytrade.com. To request up-to-date information or a copy of this Customer Relationship Summary, use the contact information provided on our [Contact Us](#) page or call us at 1-888-247-1963.

We do not assign registered representatives to manage our customers' accounts. tastytrade is a broker-dealer, not an investment adviser. You may call us at 1-888-247-1963 and speak to a financial professional if you wish to discuss the questions in the text boxes.

Questions you may want to ask your financial professional:

- Who is my primary contact person?
- Who can I talk to if I have concerns about my account or questions about your services?