

## Regulation Best Interest (Reg BI) Relationship Summary Effective February 18, 2021

**StartEngine Primary LLC** (“we”, “us”, “our”, “SE Primary”) is a registered broker-dealer with the Securities and Exchange Commission, and a member of FINRA and the SIPC.

Educational information regarding investing is available online at [Investor.gov/CRS](http://Investor.gov/CRS) and [finra.org](http://finra.org). Valuable information and search tools are available at these sites for you to research financial professionals and firm’s such as StartEngine Primary LLC.

### **Relationships and Services**

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

SE Primary offers investments to retail investors through our online platform [Startengine.com](http://Startengine.com). The investments available to you are primarily Regulation A+ offerings. Additional information about what a Regulation A+ offering is can be found at: <https://www.sec.gov/smallbusiness/exemptofferings/rega>.

SE Primary also offers the ability for retail investors to buy and sell securities through StartEngine Secondary, an alternative trading system (the “ATS”), regulated by the SEC and operated by SE Primary. Additional information about StartEngine Secondary can be found at: <https://www.startengine.com/secondary-investor-faq>

If you choose to invest in companies (“issuers”) that we have approved and listed on our website, your investment is solely a decision by you. We do not recommend individual issuers, monitor investing or accounts, or advise you on the investment decisions you make.

Our website lists issuers and shareholders offering their securities to you as a retail investor. Purchasing these investments are considered highly speculative investments. We include this disclosure throughout our website and with all offering material:

***This investment is speculative, illiquid, and involves a high degree of risk, including the possible loss of your entire investment.***

As we mentioned above, SE Primary does not provide recommendations to you or to any retail investors. We **do** advertise and market our Regulation A+ offerings via our website, email and other media platforms.

### **Fees, Costs, Conflicts and Standard of Conduct**

- **What fees will I pay?**

**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.**

If I invest in Regulation A+ offerings through SE Primary, what will I pay:

The **Offering Circular** provided with each issuer’s offering has valuable information about fees, a company’s history, financial statements, conflicts of interest, and other important facts. It is highly recommended for you to read the **Offering Circular** prior to investing with any issuer listed on the StartEngine website.

The costs associated with each Regulation A+ offering are often paid for by the issuer out of the proceeds of the offering. In certain cases, investors may pay a convenience fee in excess of their investment

amount of up to 3.5% of their investment. For example, if an offering is charging this fee, an investment of \$100 will cost the investor \$103.50. Whether or not this fee is being charged for a given offering can be found in the **Offering Circular**.

If I sell securities on StartEngine Secondary through SE Primary, what will I pay:

The Subscriber Agreement provided during the investment account creation process each has valuable information about fees, and terms of use of the ATS. It is highly recommended for you to read the Subscriber Agreement prior to buying or selling shares on the ATS.

- **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:

Revenue Item	Item Description	Incentives or Conflicts Created
<p><b>Revenue:</b> We receive fees from Regulation A+ sales</p>	Placement fees received from an issuer selling securities through SE Primary	We receive placement fees from issuers when you invest in Regulation A+ offerings. Higher sales increase the placement fees we receive.
<p><b>Additional Compensation:</b> We may receive <a href="#">warrants</a> of up to 5% from an offering</p> <p>The amount of warrants we receive from an issuer is based upon the total amount raised by SE Primary</p>	<p>The <b>Offering Circular</b> for each issuer marketed on our website describes additional compensation (warrants) we may receive.</p> <p><b>READ</b> the <b>Offering Circular</b> before investing</p>	Warrants we may receive have a holding period for a specified time frame. If we exercise (purchase) those warrants after the holding period, <a href="#">dilution</a> occurs for all shareholders.
<p><b>Revenue:</b> You will pay us commission fees from the secondary sale of securities on StartEngine Secondary</p>	Up to 5% of the price of the securities sold on StartEngine Secondary.	SE Primary offers Regulation A+ offerings which may later trade on StartEngine Secondary, and we will receive fees from their trading activity.

**Do you or any of your associated persons have legal or disciplinary history? No.**

Free and simple search tools are available at <https://www.investor.gov/CRS> and [finra.org/brokercheck](https://www.finra.org/brokercheck) to research us and our associated persons.

**How can I contact SE Primary?**

<b>Online Information About SE Primary</b>	<a href="http://www.startengine.com">www.startengine.com</a>
<b>Receive a copy of Relationship Summary</b>	<a href="https://www.startengine.com/form-crs">https://www.startengine.com/form-crs</a>
<b>Reach us by Telephone</b>	1-800-861-1536
<b>If I have concerns about SE Primary or I have a complaint</b>	Call: 1-800-861-1536 Email: <a href="mailto:service@startengine.com">service@startengine.com</a>