

StartEngine Primary LLC - Client Relationship Summary (“CRS”)

Effective July 14, 2023

StartEngine Primary LLC (“we”, “us”, “our”, “SE Primary”) is a registered broker-dealer with the U.S. Securities and Exchange Commission (“SEC”), and 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 the differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

Relationships and Services

• What investment services and advice can you provide me?

SE Primary facilitates the offerings of investments to retail investors through our online platform, [Startengine.com](https://startengine.com). The investments available to you are primarily Regulation A+ and less frequently, Regulation D 506(c) offerings. A particular risk to our business model is that we do not offer a diversified menu of investments; we only make available to you Regulation A+ and private securities offerings with respect to which we serve as managing dealer or placement agent, and the scope of our product offering is therefore limited. 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, regulated by the SEC and operated by SE Primary. Additional information about StartEngine Secondary can be found at: <https://www.startengine.com/investor-faq>. In addition, SE Primary offers a bulletin board platform (“SE Bulletin Board”) on which users can indicate interests to buy or sell shares of companies that previously offered shares through Reg CF or Reg A offerings and can communicate with each other regarding the same. The SE Bulletin Board is distinct and separate from StartEngine Secondary. In order to access StartEngine Secondary or the SE Bulletin Board, you may need to be a member of the StartEngine Owner’s Bonus program which has a \$275 annual fee (“SE Owner’s Bonus”).

Investments in all securities that we can make available to you through our various services are speculative, illiquid, and involve a high degree of risk, including the possible loss of your entire investment.

SE Primary may provide recommendations to you in certain instances; however we will not provide you with personalized advice based on your portfolio as to whether you should make or continue to hold a particular investment or as to which type of investments may be better suited for you. We will also not monitor any investments made or held by you, including on StartEngine Secondary.

Conversation Starters. Ask your SE Primary financial professional:

- 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?

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 investments over time. Please make sure you understand what fees and costs you are paying.

If I invest in Regulation A+ or Regulation D offerings through SE Primary, what will I pay: The **Offering Circular** or **Private Placement Memorandum** 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** or **Private Placement Memorandum**, as applicable, prior to investing with any issuer listed on the StartEngine website.

The fees charged by SE Primary in connection with each Regulation A+ and Regulation D offering are often paid for by the issuer out of the proceeds of the offering. In certain cases, investors may pay a convenience fee to SE Primary 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** or **Private Placement Memorandum**, as applicable.

If I buy or sell securities on StartEngine Secondary or SE Bulletin Board through SE Primary, what will I pay: The Subscriber Agreement that is signed during the investment account creation process has valuable information about fees and terms of use of StartEngine Secondary. It is highly recommended for you to read the Subscriber Agreement prior to buying or selling shares on StartEngine Secondary.

The fees charged by SE Primary in connection with either the purchase or sale of securities on StartEngine Secondary or SE Bulletin Board may be up to 5% of the transaction for both the buyer and the seller. In addition, membership in the SE Owner's Bonus program, which has an annual fee of \$275, may be required for access to both StartEngine Secondary and the SE Bulletin Board.

Conversation Starters. Ask your SE Primary 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?

When we provide you with a recommendation, we have to act in your best interest and not put our interest ahead of yours. At the same time, 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 recommendations we provide you. Here are some examples to help you understand what this means.

Revenue Item	Item Description	Incentives or Conflicts Created
<p>Revenue: We receive fees from Regulation A+ and Regulation D 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+ or Regulation D offerings. Higher sales increase the placement fees we receive.
<p>Additional Compensation: We may receive warrants of up to 5% from an offering. The amount of warrants we receive from an issuer is based upon the total amount raised by SE Primary</p>	<p>The Offering Circular for each issuer marketed on our website describes additional compensation (warrants) we may receive. READ the Offering Circular 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, dilution occurs for all shareholders.
<p>Revenue: You will pay us commission fees from the secondary sale of securities on StartEngine Secondary or the SE Bulletin Board</p>	Up to 5% of the price of the securities sold on StartEngine Secondary from the buyer and seller each.	SE Primary offers Regulation A+ offerings which may later trade on StartEngine Secondary or the SE Bulletin Board, and we will receive fees from their trading activity.

Conversation Starters. Ask your SE Primary financial professional:

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

How do your financial professionals make money?

Our financial professionals earn a salary and a bonus based on performance. The amount of the bonus is based on a variety of factors—such as the performance the financial professional, the performance of SE Primary's business and the growth in revenue. The receipt of compensation influences the advice or recommendations that our financial professionals make to clients. Our financial professionals do not receive any type of transaction-based compensation.

Although your financial professional must make recommendations and provide advice that is in your best interest, their bonus structure may encourage your financial professional to act in a way that maximizes his or her compensation.

Do you or any of your associated persons have legal or disciplinary history?

No. Visit [Investor.gov/CRS](https://www.investor.gov/CRS) for a free and simple search tool to research us and our financial professionals.

Conversation Starters. Ask your SE Primary financial professional:

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

Additional Information

If you would like additional, up to date information or a copy of the most recent Form CRS, please visit our website at <https://www.startengine.com/form-crs>. SE Primary's Form CRS is available upon request by calling 1-800-861-1536.

Conversation Starters. Ask your SE Primary financial professional:

- Who is my primary contact person? Is he or she a representative of a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?