

## **Regulation Best Interest Disclosure - Investment Recommendations—Concierge and Plans**

### **Introduction**

The purpose of this disclosure is to provide you, the retail investor, with information about how Open to the Public Investing, Inc. (“**Public Investing**”), an SEC- and FINRA-registered broker-dealer, provides investment recommendations (“**Investment Plan Recommendations**” or “**Investment Recommendations**” or “**Recommendations**”) to retail investors.

Public Investing acts as a broker-dealer when it makes a Recommendation to you. Each Recommendation is made in your best interest.

This document will provide you with information about how Public Investing makes Recommendations, the limitations of those Recommendations, the fees and expenses associated with Recommendations, and material facts about conflicts of interest that may exist. You should read this document carefully before participating in Investment Recommendations. Additional information on Investment Recommendations can be found in the [Public Form CRS](#), [Public Investing Brokerage Agreement](#), and [Fee Schedule](#).

Public Investing offers two types of Recommendations: (1) Investment Plan Recommendations and (2) Recommendations to some of our largest members who request Recommendations about how to allocate cash among several highly liquid cash alternatives on Public’s platform.

### **Investment Plan Recommendations**

Investment Plan Recommendations are made up of a mix of ETFs selected by Public Investing according to the methodology described below (“**Investment Plan**” or “**Plan**”). This methodology is subject to change at Public Investing’s sole discretion. An ETF, or exchange traded fund, is an investment fund that can be bought and sold on the stock market just like an individual company’s stocks. ETFs can track any kind of index, whether it be a large index, like the S&P 500, or a more niche, thematic index, like MSCI Emerging Markets. ETFs are a way for investors to build a diverse portfolio of securities.

Before investing in an ETF, you should read the prospectus, which provides detailed information on the ETF’s investment objectives, principal investment strategies, risks, costs, and historical performance (if any), among other things. Prospectuses can be found on the ETF issuer’s website. ETFs are bought and sold at market price, which can vary from the Net Asset Value<sup>1</sup> of the fund. The sponsors of ETFs charge fees or “expense ratios” to cover the cost of managing the funds. Rebalancing and other fund activities by the ETF issuer may result in tax consequences for you. Public Investing does not offer tax advice and is not your tax advisor.

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<sup>1</sup>**Net Asset Value** is the net value of a fund’s assets less its liabilities, divided by the number of shares outstanding.

Although ETFs are designed to provide investment results that generally correspond to the performance of their underlying indices, they may not be able to exactly replicate the performance of the indices because of expenses and other factors.

All investing involves risk, including possible loss of principal. Diversification and asset allocation may not protect against market risk or loss of principal. Funds that concentrate investments in specific industries, markets, or asset classes may underperform or be more volatile than other industries, markets or asset classes and the general securities market.

### **How do we make Investment Plan Recommendations?**

Before we can make an Investment Plan Recommendation to you, we ask you a series of questions and analyze the answers you've provided to us. You answer these questions in two places: first, during account creation, when we ask you about your age, net worth, liquid investments, yearly income, and investment experience among other questions, and second, during the Investment Plan Recommendation flow, when you tell us about your investing goals, investing timeline, and risk preferences. Taken together, this information helps us provide you with a Recommendation tailored to your specific investing needs.

When we make a Recommendation to you, we leverage the answers you've already provided to us during account creation. It is your responsibility to update the information you provide to us to the extent it changes. You can update this information at any time. We do not independently verify any of the information that you provide to us. Because your answers to these questions may change over time, Recommendations are designed to be in your best interests at the point in time in which they are presented to you. It's very important that you provide Public Investing with accurate answers to all survey questions because this information informs our Recommendation. While we monitor your responses for potential errors, we do not independently validate the accuracy of the information you provide. If you have not updated your Account Information responses in the last year, you may be prompted to confirm the information provided to Public Investing prior to being provided a Recommendation. Regardless, it is your responsibility to ensure the accuracy of that information.

Next, our proprietary algorithms analyze the information you provided to assign you an overall risk profile. Based on your overall risk profile, Public Investing then generates an individualized Recommendation for you, including specific ETFs and a recommended allocation of each ETF within the overall Plan. Public Investing considers reasonably available alternatives when choosing which ETFs we recommend to you, which are listed below the Public Investing Recommendation. With each Recommendation, we provide you with information about the securities included in the Plan. Public's Recommendations are limited to Plans within the Core category. Public will not, at this time, make a Recommendation outside of this category and only considers alternative investment plans within this category and not the entire range of Investment Plans. For the reasons stated below, Public Investing has considered other alternative Investment Plans for inclusion in this program, but has decided that limiting Recommendations to these specific Investment Plans are in the Best Interests of our members

at this time. There may be ETFs with similar strategies to the ones included in the Plan available elsewhere on the Public Platform for a lower fee. However, for the reasons provided below, Public Investing believes that the Plans as constructed and recommended to our members are in their Best Interests.

Specifically, each of these Plans are crafted to target a specific stock and bond mix, leveraging a mix of ETFs that provide exposure to a well-diversified broad collection of assets. These Plans are created with an emphasis on your investment objectives, risk appetite and investment timeline. Bonds are often used for near-term capital preservation, while stocks are used for longer-term wealth creation. The allocation between how much of your portfolio will be invested in stocks or bonds will be based, among other things, on your risk tolerance and the answers to the questions provided. While these plans are well-constructed, diversified, and low cost, it is a material limitation on Public Investing's Recommendations that we only offer Recommendations in a limited number of Investment Plans.

Because we look at your answers holistically, the Recommendation we make to you may take on more or less risk than you stated you are comfortable with, for example. This is because we balance all of your needs together when providing you with a Recommendation, such as your investing goals and timeline.

You can learn more about the methodology we use to create each Plan in [Appendix II](#) below.

Recommendations are valid only at the time they are generated and are not valid at any point in the future, including if you choose to set up your investment plan with recurring funding. While Public Investing may recommend a particular portfolio, only that portfolio is the Recommendation. It is at the discretion of the customer, as a self-directed investor, to determine the amount and frequency of their investments. This is due in part to the fact that the variables driving your Recommendation, such as your financial information and information about the ETFs, can change at any time, and Public Investing does not monitor this information or your account on an ongoing basis.

If a customer chooses to invest in the Recommended Plan, there are fees associated with those investments, whether the customer chooses to invest once or on a recurring basis. These fees are to cover the expenses associated with each transaction and are based on the number of ETF assets in your plan. More information about those fees can be found [here](#). A customer would pay lower fees if, instead of utilizing an Investment Plan, they chose to independently execute the underlying transactions in any given Recommended Plan elsewhere on the Public Platform; however, the customer would lose the convenience of executing multiple transactions at once and/or have them automatically recur, if they so choose.

An Investment Recommendation is not a recommendation to purchase each individual security on its own, but rather a recommendation to purchase the collection of securities as presented within the portfolio at the precise time it is presented to you. We do not monitor or manage your account in any way. You are solely responsible for deciding whether or not to purchase an

Investment Recommendation (as is the case with any other decision to buy and sell securities on Public). The Recommendation is only valid at the time it is made. Public Investing does not reevaluate the Recommendation over time to ensure that it continues to be consistent with your investing goals. If you would like a new Recommendation, please revisit the Recommendation page.

### **What are the associated fees and costs?**

To cover the expenses associated with each transaction within an Investment Recommendation, we charge a nominal fee based on the number of assets within the portfolio.

<b>Number of Symbols</b>	<b>Transaction Fee</b>
1-3 symbols	\$0.49
4-10 symbols	\$0.99
11-20 symbols	\$1.99

Additionally, all ETFs have built-in expenses related to owning the underlying ETF. These expenses are called expense ratios, and they cover the administrative and operating costs of the ETF. Expense ratios are expressed as a percentage of the ETF's average net assets.

### **What are the material limitations of Investment Recommendations?**

Below are some material limitations you should be aware of before purchasing an Investment Recommendation:

- We only recommend ETFs as part of Investment Recommendations. Recommended ETFs are limited to the ETFs listed in [Appendix I](#).
- It is your responsibility to monitor your investments after you have purchased them. Public Investing will not rebalance your portfolio on your behalf.
- Investment Recommendations are based on the information you have provided to us at the time the Investment Recommendation is made. If you purchase any or all individual assets included in an Investment Recommendation at a later date then these are self-directed purchases and not Investment Recommendations. If you choose to set up your Investment Plan with recurring funding, then all subsequent purchases are self-directed purchases.
- You are free to make changes to the Investment Plan Recommendation before execution; however, this changed Investment Plan is no longer Public Investing's Recommendation.
- Each risk profile contains varied recommendations, and the same ETFs are not necessarily recommended across categories.
- Public does not collect personal tax information. You should consult your tax advisor with any questions.
- Public Investing does not look to the other holdings you may have on Public, or elsewhere, when making an Investment Recommendation.

- While the questions we ask are designed to capture a holistic picture of you, they do not capture all nuances related to your individual financial situation. If you believe that there is information important to Public Investing's understanding of your financial profile that is not covered by Public Investing's questions, then you should not participate in Investment Recommendations on Public.
- There is a possibility that orders for individual assets within a Recommendation may not be executed, for example, if trading has been halted for a particular asset. In such a situation, the allocations of the remaining assets will not adjust to account for the un-executed order.
- Recommendations may be subject to minimum amount requirements. Public Investing reserves the right to change the minimum amount at any time without notice. If you choose to purchase an Investment Recommendation, you must maintain sufficient funds in your bank account to execute the recurring investment. If your ACH payment fails, any scheduled orders will be skipped until you have a successful ACH payment. After three failed or skipped occurrences, Public Investing will automatically pause your Plan.
- Plans remain in effect until you pause or end your Plan or we otherwise terminate your Plan. Public Investing reserves the right to suspend or terminate your Plan at any time, for any reason, without notice to you.
- Recommendations are only available to U.S. residents residing within the United States. Other restrictions may apply as determined from time to time by Public Investing in its sole discretion and without notice.
- Any graphics shown on the Public platform in connection with Investment Recommendations are for illustrative purposes only.

### **Are there any conflicts of interest associated with Investment Recommendations?**

Conflicts of interest exist when Public Investing makes Investment Recommendations. Below you will find material facts about the conflicts of interest that exist. Please review before you choose to purchase an Investment Recommendation.

- Public Investing earns revenue when you purchase an Investment Recommendation as described above.
- At this time, Public Investing only makes Recommendations for funds sponsored by iShares, an affiliate of BlackRock Investment Management. Public Investing or an affiliate received a fixed fee for this sponsorship that does not vary based on the amount of funds Public Investing members invest in iShares funds. Additionally, no registered representative of Public Investing receives compensation due to the placement of client assets with iShares. In other words, Public Investing receives a flat fee from BlackRock Investment Management which does not vary based on the amount of activity in BlackRock or iShares sponsored funds on the platform; but, nonetheless, this economic relationship may pose a conflict of interest.
- Employees of Public, who may or may not be associated with Public Investing, may have outside business dealings which may be seen as conflicting with your interest.

To learn more about other conflicts of interest that exist when using Public, see our [Conflicts of Interest] disclosure and [Appendix II](#).

Additional information regarding how Public Investing makes money can be found in the [Form CRS](#).

## **Concierge Recommendations**

While there is no specific minimum to be invited to join the Public Concierge Program, Members generally have significant assets on the platform. Invitations are at the sole discretion of Public Investing.

From time to time, on an ad hoc basis or at the request of a Concierge Member via instant message, email, or other electronic means of communication, a registered representative associated with Public Investing (“registered representatives”) may make a recommendation to allocate cash among various liquid securities, cash, cash equivalents, or other Public Investing accounts such as the Jiko Treasury Account.

Prior to making the recommendation, Public Investing registered representatives will review suitability information collected from a Member when that Member onboards onto the platform. It is the responsibility of the Member to ensure that such information is accurate. Additionally, Public Investing registered representatives may ask additional questions to ensure they have a fuller understanding of a particular Member’s financial goals. Such questions may, but do not have to, include: (1) how long the Member plans to keep the funds in a cash-alternative product; (2) what amount does the Member want to invest; (3) how willing is the Member to make reinvestment decisions from time to time; and (4) how does the Member want to balance liquidity and yield? These questions are not exhaustive and other questions may, or may not, be asked.

When making a Recommendation, Public Investing registered representatives may consider a Member’s liquidity needs, sensitivity to taxes, willingness to monitor their account, and their investment objectives prior to making a recommendation. Please note Public Investing is not a tax advisor and does not purport to give tax advice. Similarly, the scope of Recommendations made by Public Investing registered representatives does not include determining if the stated amount of cash a Member wishes to invest in a cash-management product is an appropriate percentage of their overall investment portfolio.

When we make such a Recommendation, it is up to you to follow or decline that Recommendation. Public Investing buys and sells securities only at your direction and will not execute any transaction without your prior approval.

Please note that these Recommendations are made by Public Investing in our capacity as a broker-dealer and, as such, we will not monitor, evaluate, review or update any Recommendation made by Public Investing. Recommendations are only applicable at the time they are made and if you chose not to take action on a particular Recommendation, it can no longer be relied upon at a later time. In that circumstance you should obtain a new Recommendation. At this time, Public Investing only makes Recommendations in its capacity as a broker-dealer and does not hold itself out as an Investment Adviser.

## **Fees and Costs**

All Public Investing's fees and costs for particular brokerage services can be found in our [Fee Schedule](#). There is no cost to receive a Recommendation on an ad hoc basis. The fees applicable do not change based on whether you engage in the particular brokerage activity pursuant to a Public Investing Recommendation or otherwise. For example, equities trades on Public Investing do not have a commission, regardless of whether they are made on a self-directed basis or pursuant to a Recommendation. Similarly, Public Investing's High-Yield Cash Account will pay the same rate to a Member regardless of whether a Member invests pursuant to a Recommendation.

Additionally, certain investments have associated costs. For example, ETFs typically have an expense ratio associated with the product. Please consult the particular product's prospectus for a full list of fees associated with the product. For avoidance of doubt, the only fees Public Investing receives are those listed on our [Fee Schedule](#). These fees, plus any additional costs associated with the Recommendation, will be considered by Public Investing, as well as reasonable alternatives that could be higher or lower cost, when making a Recommendation.

## **What limitations apply to what Public Investing representatives can recommend?**

Public Investing registered representatives only consider investments and alternatives available on Public Investing's platforms. They follow policies and procedures designed to ensure that Recommendations made to you are in your best interest. All Recommendations follow well known investing principles and are based on your specific circumstances and needs, which are based on information you provide to us about your specific investing goals and experience. Public Investing does not independently verify the accuracy of your specific needs as described to Public Investing by you. All Recommendations comply with applicable laws and regulations.

Recommendations have the following limitations:

At this time, Public Investing only makes recommendations to invest cash in Cash Equivalents, or other similar products: Currently, we only offer Recommendations to invest cash in:

- (a) Brokerage Cash
- (b) HYCA
- (c) Jiko Treasury Account
- (d) Directly into US Treasuries
- (e) Ultra-Short Treasury ETFs

It is your responsibility to monitor your investments after you have purchased them. Public Investing will not rebalance your portfolio on your behalf.

Investment Recommendations are based on the information you have provided to us at the time the Investment Recommendation is made. If you purchase any or all individual assets included in an Investment Recommendation at a later date, or purchase an Investment Recommendation Plan at a later date, then these are self-directed purchases and not Investment Recommendations.

Public Investing does not consider the other holdings you may have on Public when making an Investment Recommendation.

While the questions we ask are designed to capture a holistic picture of you, they do not capture all nuances related to your individual financial situation. If you feel that there is information important to Public Investing's understanding of your financial profile that is not covered by Public Investing's questions, then you should not participate in Investment Recommendations on Public.

Recommendations are only available to U.S. residents residing within the United States. Other restrictions may apply as determined from time to time by Public Investing in its sole discretion and without notice

### **Conflicts of Interest**

Public Investing makes more or less money depending on the size of your account, the assets in it, the amount you trade, the type of trading you do, and could make money based on you taking action based on a Recommendation we make. Our registered representatives do not get paid commissions but some may receive additional compensation based on achieving certain revenue or other performance metrics. Regardless, Public Investing may have a conflict with you whenever we make a Recommendation, particularly as between products where Public may make more revenue with one versus another. For example, all else being equal, Public earns more revenue on cash held in a Brokerage Cash Account versus a High-Yield Cash Account.

A list of our revenue sharing and marketing arrangements can be found below in [Appendix II](#). Public Investing also has financial relationships with third parties which could present a conflict of interest including certain ETF providers. Anytime a recommendation is made to you in which Public Investing may have such a financial relationship with a third party whose product is being recommended, it will be disclosed.

Additionally, Public Investing has other subsidiaries which are not broker-dealers, and the activities of these other subsidiaries create conflicts of interest between Public Investing and the other subsidiaries, including competing priorities, shared services and other more nuanced conflicts surrounding resource allocation.

Public may have relationships with certain vendors who are also providers of other services for affiliates. Additionally, directors, officers, or owners may have relationships with other service providers for Public Investing.

### **Material Risks With Recommendations**

All investments bear risk. For the specific risks of any particular investment, please consult that investment's prospectus, offering document, or other applicable disclosure. Our recommendations are based on a number of pieces of information provided by you and which can change over time. While we take care in making recommendations to you, these factors can change and information provided by you is not independently verified by Public Investing. All investments include a risk that you may lose money and there is no guarantee that any particular recommendation will meet your goals or perform as expected.



## Appendix I

Plan Name	Category	Description
<b>Aggressive</b>	Core	The Aggressive Plan is derived using the diversified very aggressive 0/100 (bond/stock) core modeled portfolio with iShares by BlackRock ETFs. Core models are built for investors across a full risk spectrum**. Allocations shown for model portfolios are targets and subject to change. Weightings are rounded to the nearest percentage, and any over or under-allocation is adjusted to ensure a 100% total weighting. Allocations to US Equity ETFs (e.g. IVV, IJH, and IJR) are combined into a single allocation into ITOT. Allocations are reassessed for compliance with the stated plan criteria and, as necessary, updated within the first five trading days of each calendar quarter*.
<b>Conservative</b>	Core	The Conservative Plan is derived using the diversified conservative 80/20 (bond/stock) core modeled portfolio with iShares by BlackRock ETFs. Core models are built for investors across a full risk spectrum**. Allocations shown for model portfolios are targets and subject to change. Weightings are rounded to the nearest percentage, and any over or under-allocation is adjusted to ensure a 100% total weighting. Allocations to US Equity ETFs (e.g. IVV, IJH, and IJR) are combined into a single allocation into ITOT. Allocations are reassessed for compliance with the stated plan criteria and, as necessary, updated within the first five trading days of each calendar quarter*.
<b>Moderate</b>	Core	The Moderate Plan is derived using the diversified moderate 40/60 (bond/stock) core modeled portfolio with iShares by BlackRock ETFs. Core models are built for investors across a full risk spectrum**. Allocations shown for model portfolios are targets and subject to change. Weightings are rounded to the nearest percentage, and any over or under-allocation is adjusted to ensure a 100% total weighting. Allocations to US Equity ETFs (e.g. IVV, IJH, and IJR) are combined into a single allocation into ITOT. Allocations are reassessed for compliance with the stated plan criteria and, as necessary, updated within the first five trading days of each calendar quarter*.
<b>Moderately Aggressive</b>	Core	The Moderately Aggressive Plan is derived using the diversified moderately aggressive 20/80 (bond/stock) core modeled portfolio with iShares by BlackRock ETFs. Core models are built for investors across a full risk spectrum**. Allocations shown for model portfolios are targets and subject to change. Weightings are rounded to the nearest percentage, and any over or under-allocation is adjusted to ensure a 100% total weighting. Allocations to US Equity ETFs (e.g. IVV, IJH, and IJR) are combined into a single allocation into ITOT. Allocations are reassessed for compliance with the stated plan criteria and, as necessary, updated within the first five trading days of each calendar quarter*.

<b>Moderately Conservative</b>	Core	The Moderately Conservative Plan is derived using the diversified moderately conservative 60/40 (bond/stock) core modeled portfolio with iShares by BlackRock ETFs. Core models are built for investors across a full risk spectrum**. Allocations shown for model portfolios are targets and subject to change. Weightings are rounded to the nearest percentage, and any over or under-allocation is adjusted to ensure a 100% total weighting. Allocations to US Equity ETFs (e.g. IVV, IJH, and IJR) are combined into a single allocation into ITOT. Allocations are reassessed for compliance with the stated plan criteria and, as necessary, updated within the first five trading days of each calendar quarter*.
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**Appendix II: Revenue Sharing and Marketing Arrangements**

Below is a list of ETF families or other entities that made revenue sharing, marketing, or other payments to Open to the Public Investing, Inc. (“Public Investing”) or its affiliates during 2022 or 2023. Entities are listed alphabetically. These payments include payments based on the value of investments or transactions from a particular partner on the Public platform as well as sponsorship payments for marketing or other products and services on the Public platform.

Public Investing or its registered representatives may recommend products to certain customers, upon request, which are sponsored by partners from which Public Investing receives payments or participates in revenue sharing. Any such arrangement will be disclosed to the client prior to executing the plan.

Companies with which Public Investing or its affiliates has a revenue sharing agreement are marked with an asterisk (\*). Companies where Public Investing, its affiliates, or officers have an equity interest are marked a cross (†). These payments may include revenue sharing payments from Public Investing’s clearing broker, Apex Clearing Corporation, the independent third party at which Public Investing’s clients can access certain Crypto assets, Bakkt Crypto LLC, and the administrator of Treasury Accounts, Jiko Group, Inc. Transactions recommended by Public Investing or its registered representatives may lead to additional revenue being generated by one or more of these entities.

These agreements present a conflict of interest between Public Investing on the one hand and its clients on the other.

- Amberwave Partners
- \*Apex Clearing Corporation
- \*Bakkt Crypto LLC
- BlackRock Fund Advisors
- \*Engine No.1

Global X Management Company

\*†Jiko Group, Inc.

LifeGoal Investments

Lucania Investments

†Moment Technologies, Inc.

Rafferty Asset Management

Tema ETFs

Unlimited Funds

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