



Open to the Public Investing, Inc
Member FINRA, SIPC

July 30, 2021

Order Execution & Tipping Disclosure

Order Execution

Unlike many of our peer retail and online brokerages, Open to the Public Investing (“OTTP”) **does not accept payment for order flow (“PFOF”) from market makers.** Many of our customers have chosen to work with Public and OTTP because of our unique approach to PFOF, order routing and order execution. We share some details about that approach here.

Background on Order Routing and Execution

When you submit an order to buy or sell securities to OTTP, we send that order to a [market center](#) for fulfillment or “execution.” There are dozens of market centers to choose from; we route your order to the one that we believe, using reasonable diligence, will execute that order on the most favorable terms available. We focus on obtaining the best price, but we also take into account other factors like speed of execution.

Market centers fall into three broad categories: traditional stock exchanges, alternative trading systems (“ATs”) and market makers (also called wholesalers, internalizers or proprietary trading firms).¹ Market makers pay PFOF to retail brokers in exchange for their customer order flow.

We Do Not Accept PFOF from Market Makers

We believe that PFOF creates a potential conflict of interest between OTTP and our customers. You are best served if we route your order to the market center that will fulfill that order on the most favorable terms, but

¹ Market makers include firms like Citadel Securities, G1X Execution Services, Two Sigma Securities, Virtu Financial, and Wolverine Securities.

PFOF incentivizes us to route to a market maker instead. Further, we believe (and our analysis shows) that we can execute our customer orders on very favorable terms without sending those orders to market makers.

For those reasons, **we do not accept payment for order flow (“PFOF”) from market makers. Instead, we route orders to exchanges and ATNs.**

Regular and Rigorous Review

OTTP is continually looking for ways to improve the execution of our customer orders. We collect extensive data on the “execution quality” of our customer orders. Our Execution Committee conducts a rigorous review of that data on at least a monthly basis (and often more frequently). The Execution Committee evaluates, among other things, whether our current routing arrangements provide our customers with the best execution quality or if we can improve execution quality by adjusting those arrangements. Among the adjustments the Committee considers is including market makers in our routing arrangements.

We currently believe, based on our analysis of the data, that we can obtain very favorable executions on our customer orders without routing to market makers. If that changes, we will make the necessary routing adjustments and update you here.

Tipping

- **Tipping Overview**

- After you submit an order (to buy or sell a security) and that order is successfully executed, you may be prompted to leave a tip for Public.
- Leaving a tip for Public is fully optional.
- Your decision to tip or not to tip does not impact your order routing, execution, or any other aspect of the order.

- **Tipping Mechanics**

- Tips are submitted as a dollar amount. Once a tip is submitted, it cannot be changed.
- The tip amount increments are set by the app and tips cannot be made in amounts that don't conform to the pre-set increments.
- If you leaves a tip, the tip is immediately deducted from such your buying power and is held in your account as a "pending tip."
- Pending tips are visible in your account detail and will be deducted from your account on a regular basis, at which point they will be removed from the account detail and will appear in your transaction history.
- If there's sufficient buying power to execute your order but not to fulfill the tip amount, we will still execute your order. We will take the tip only to the amount of available buying power.

- **Tips as an Optional Service Charge**

- Tips do not constitute a commission for trading.
- Tips are do not constitute a gift to any person, principal, proprietor, employee, agent or representative of another person.

- Tips are separate from the execution of a transaction, and accordingly do not appear on trade confirms.

All tipping terms and conditions are subject to change without notice.