

Regulation Best Interest Disclosure

This guide summarizes important information concerning the scope and terms of the brokerage services we offer and details the material conflicts of interest that arise through our delivery of brokerage services to you. We encourage you to review this information carefully, along with any applicable account agreement(s) and disclosure documentation you may receive from us.

As you review this information, we would like to remind you that we are registered with the U.S. Securities and Exchange Commission (SEC) as a broker dealer. Our Form CRS contains important information about the types of services we offer, along with general information related to compensation, conflicts of interest, disciplinary action and other reportable legal information.

Please carefully review and consider the information in each section below.

Brokerage services	1
Brokerage service models and products	3
Brokerage fees and our compensation	3
Conflicts of interest	5
Additional resources	7

Brokerage services

When you establish a brokerage account with us, you have the ability to buy, sell and hold investments within your account. The primary service we provide is our trading capability. We execute purchases and sales on your behalf, and as directed by you. The capacity in which we act is disclosed on your trade confirmation. However, we are not required to communicate it in advance, obtain your consent, or inform you of any profit earned on trades.

Cash Brokerage and Margin Brokerage Accounts

We provide brokerage services through either a cash brokerage account or margin brokerage account, based on your eligibility and selection. In a cash brokerage account, you must pay for your purchases in full at the time of purchase. In a margin brokerage account, you must eventually pay for your purchases in full, but you may borrow part of the purchase price from our clearing firm, Apex Clearing. This is generally referred to as a “margin loan.” The portion of the purchase price that is loaned you is secured by securities in your account, also referred to as “collateral.” You will incur interest costs as a result of your margin activity. While many securities are eligible to be used as collateral for a margin loan, some assets are not available for margin collateral purposes.

Given that a margin-enabled brokerage account has specific eligibility requirements, unique costs, and governing regulatory requirements, our default brokerage option is our cash brokerage account. You must execute a separate margin agreement before engaging in margin brokerage activity. Included with your margin agreement is a copy of the Margin Disclosure Statement. This statement contains important information you should understand and consider before establishing a margin brokerage relationship with us. For more information on our margin brokerage services, refer to our Margin Disclosure Statement available at www.openhand.com.

Brokerage Account Types

We offer many different brokerage account types including individual and joint accounts. You should refer to our account agreement(s) for more information concerning available account types or speak with our support staff.

Incidental Brokerage Services, Recommendations and Account Monitoring

Within your brokerage account, we do not provide other incidental services such as research reports, and recommendations to buy, sell, or hold assets. When we act in a brokerage capacity, we do not agree to enter into a fiduciary relationship with you.

Please also consider that from time to time we may provide you with additional information and resources to assist you with managing your brokerage account. This may include but is not limited to educational resources, sales and marketing materials and/or periodic brokerage account reviews. When we offer these services and information, we do so as a courtesy to you. These activities are not designed to monitor specific investment holdings in your brokerage account, they do not contain specific investment recommendations about investment holdings, and you should not consider them a recommendation to trade or hold any particular securities in your brokerage account. Upon your request, we will review such information and reports with you and may provide you with investment recommendations, but we are not under a specific obligation to do so.

Clearing Services

We have entered into an agreement with Apex Clearing (also referred to herein as “Clearing Agent”) to carry your account and provide certain back office functions. We and Apex Clearing share responsibilities with respect to your account as set forth in the Designation of Responsibilities that was delivered to you upon opening of your account.

Understanding Risk

It is important for you to understand that all investment recommendations and activities involve risk, including the risk that you may lose your entire principal. Further, some investments involve more risk than other investments. Higher-risk investments may have the potential for higher returns but also for greater losses. The higher your “risk tolerance,” meaning the amount of risk or loss you are willing and able to accept in order to achieve your investment goals, the more you may decide to invest in higher- risk investments offering the potential for greater returns. We align risk tolerances with investment needs to offer you different investment objectives from which to choose (see below). You should select the investment objective and risk tolerance best aligned with your brokerage account goals and needs.

Investment goals typically have different time horizons and different income and growth objectives. Generally, investment goals are on a spectrum, with “Income” investors typically holding the smallest percentage of higher- risk investments, followed by “Growth and Income” investors holding some higher-risk investments, and finally “Growth” investors holding a significant portion of their portfolio in higher-risk investments. Risk tolerance also varies and we measure it on a continuum that increases from “Conservative” to “Moderate” to “Aggressive,” and finally “Trading and Speculation.” See the chart below for details.

Investment Objective	Investment Objective Description	Risk Tolerance	Risk Tolerance Definition
Income	Income portfolios emphasize current income with minimal consideration for capital appreciation and usually have less exposure to more volatile growth assets.	Conservative	Conservative Income investors generally assume lower risk but may still experience losses or have lower expected income returns.
		Moderate	Moderate Income investors are willing to accept a modest level of risk that may result in increased losses in exchange for the potential to receive modest income returns.
		Aggressive	Aggressive Income investors seek a higher level of returns and are willing to accept a higher level of risk that may result in greater losses.

Growth & Income	Growth and Income portfolios emphasize a blend of current income and capital appreciation and usually have some exposure to more volatile growth assets.	Conservative	Conservative Growth and Income investors generally assume a lower amount of risk but may still experience losses or have lower expected returns.
		Moderate	Moderate Growth and Income investors are willing to accept a modest level of risk that may result in increased losses in exchange for the potential to receive modest returns.
		Aggressive	Aggressive Growth and Income investors seek a higher level of returns and are willing to accept a higher level of risk that may result in greater losses.
Growth	Growth portfolios emphasize capital appreciation with minimal consideration for current income and usually have significant exposure to more volatile growth assets.	Conservative	Conservative Growth investors generally assume a lower amount of risk but may still experience increased losses or have lower expected growth returns.
		Moderate	Moderate Growth investors are willing to accept a modest level of risk that may result in significant losses in exchange for the potential to receive higher returns.
		Aggressive	Aggressive Growth investors seek a higher level of returns and are willing to accept a high level of risk that may result in more significant losses.
Trading and Speculation	Trading and Speculation investors seek out a maximum return through a broad range of investment strategies which generally involve a high level of risk, including the potential for unlimited loss of investment capital.		

We encourage you to carefully consider your investment objective and risk tolerance before investing.

Cash Sweep Program Feature

Our brokerage services does not include a Cash Sweep Program feature.

Account Minimums and Activity Requirements

There is a minimum initial account balance (\$2,500.) required to open a brokerage account with us.

Brokerage service models and products

OpenHand, Inc. is an online Broker-Dealer where all the client trades are self-directed/unsolicited. OpenHand, Inc. does not solicit any recommendations. In addition, the Firm does not offer research.

Brokerage fees and our compensation

It is important to consider that while a brokerage relationship can be a cost-effective way of investing your assets, it is not for everyone given the fees and costs involved.

Transaction-Based Fees

You will not pay transaction-based fees for trades you decide to enter into, such as buying and selling stocks. These transaction-based fees are generally referred to as a “commission,” “mark up,” “sales load,” or a “sales charge.” Transaction-based fees are based on a host of factors, including, but not limited to:

- Underlying product selection
- Your brokerage service model and account type
- Size of your transaction and/or overall value of your account
- Frequency of your trade activity
- Available discounts and/or fee waivers

Account and Service Fees

You will pay fees for various operational services provided to you through your brokerage account. These fees are set at least annually and communicated to you through information included in your account statement and other notifications. These fees do not apply to all account types and may be waived under certain conditions.

You should understand that based on the brokerage service model you choose, services may vary in the fees and costs charged to you. For more information concerning our administrative and service fees, visit us at www.openhand.com.

How We Are Compensated

We receive direct and indirect compensation in connection with your accounts. Direct compensation is taken directly from the affected account. Indirect compensation is compensation paid in ways other than directly from the account and may impact the value of the associated investments in your account.

Financial Advisor Schedules

Not applicable

Option Rates Equity and Index

Not applicable

Debt Securities

Not applicable

Mutual Funds

Not applicable

12b-1/Shareholder Service Fees

Not applicable

Front-end Sales Charge Fees/Contingent Deferred Sales Charges (CDSC)

Not applicable

Revenue Sharing

Not applicable

Annuities

Not applicable

Alternative Investments Information

Not applicable

Unit Investment Trusts (UITs)

Not applicable

Training and Education

Training and education compensation is not applicable.

Operational Fees

We receive compensation for various operational services provided to you through a brokerage account. Our fee schedule for these services is as follows:

Outgoing ACH \$5.00

Returned ACH \$50.00

Outgoing wire fee \$50.00
Returned wire fee \$50.00
Account transfer (ACAT) \$125.00
DTC delivery \$50.00
Paper confirm \$2.00
Paper statement \$10.00
Dividend check \$25.00
Corporate action \$35.00
Reorg activity \$100.00

For more information regarding account fees for brokerage services, please see the Firms website at www.openhand.com/pricing.

Trade Corrections

The Firm may place Error trades in the Error Account. The Firm shall be responsible for any losses which occur in the Error Account. In addition, the Firm agrees to use its best efforts to close out the trade as soon as possible

Compensation for Termination of Services

Other than any account transfer fees, the firm would not receive any additional compensation in connection with the termination of its services.

Conflicts of interest

Conflicts of interest exist when we provide brokerage services to you. A conflict of interest is a situation in which we engage in a transaction or activity where our interest is materially adverse to your interest. The mere presence of a conflict of interest does not imply that harm to your interests will occur, but it is important that we acknowledge the presence of conflicts. Moreover, our regulatory obligations require that we establish, maintain, and enforce written policies and procedures reasonably designed to address conflicts of interest associated with our recommendations to you.

We are committed to taking appropriate steps to identify, mitigate and avoid conflicts of interest to ensure we act in your best interest when providing brokerage recommendations to you. Below you will find additional information related to our conflicts of interest. This information is not intended to be an all-inclusive list of our conflicts, but generally describes those conflicts that are material to your brokerage relationship. In addition to this disclosure, conflicts of interest are disclosed to you in your account agreement(s) and disclosure documents, our product guides and other information we make available to you.

Compensation We Receive From Clients

Transaction-based conflicts

Not applicable

Markups and markdowns for principal transactions

Not applicable

Account maintenance and other administrative fees

For the services we provide or make available to you with respect to your brokerage account, we charge certain account maintenance and other administrative fees, including transfer, wire, or other miscellaneous fees, as described in the fee schedule provided to you on an annual basis. The higher the fees we charge, the more we are compensated.

Compensation We Receive from Third Parties

Additional Compensation from Product Sponsors and Other Third Parties

Not applicable

Payment for Order Flow

Please refer the firm's website at www.openhand.com, SEC Rule 606 disclosures

Compensation Related to Proprietary Products

Not applicable

Compensation Related to Our Affiliates

Not applicable

Compensation Received by Financial Advisor

Not applicable

Other Financial Advisor Activities

Not applicable

Additional Resources

Title	Web address
Form CRS	www.openhand.com
Legal Disclosures	www.openhand.com
Margin Disclosure	www.openhand.com
Investment Objectives and Risk Tolerance	enclosed