



Robinhood Financial
Form CRS Responses to “Conversation Starters”
Effective June 25, 2025

Conversation Starter: *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?*

Response: Robinhood Financial LLC (“**Robinhood Financial**”, “**we**”, “**us**”, “**our**”) currently only provides brokerage services and is primarily self-directed (meaning you make all the investment decisions and we do not advise you on whether to open an account at Robinhood). If you are looking for ongoing investment advice for a fee, then Robinhood Financial is not for you. If you are interested in opening an account where you primarily direct your own account, make your own investment decisions (e.g., whether to buy or sell a security, open a particular type of account, or engage in any particular investment strategy or service), then consider a self-directed account at Robinhood Financial. We only provide investment recommendations in limited circumstances. Robinhood Financial does not have account minimums to open or maintain a brokerage account; but we do have a minimum investment amount of \$20 for any portfolio recommendations you may receive. Should you decide to engage our services, you must be comfortable with investing your assets on your own.

If you receive a recommendation from Robinhood Financial, we will make that recommendation in your best interest. Robinhood currently offers portfolio recommendations (“**Recommendations**”) to certain eligible customers through the use of a web-based mobile interface (“**Mobile App**”). Recommendations are not currently available through the Website. To provide this Recommendation, we collect information from you regarding your financial situation and needs in order to help us to determine your risk profile. Next, our algorithms and proprietary technology utilizes your information provided and risk profile to generate an individualized Recommendation for a diversified portfolio of ETFs and the recommended allocation of each ETF within the overall portfolio (aka “**asset allocation**”). You will be presented with this portfolio, along with an explanation of why we selected each ETF and its allocation for you within the Mobile App, and then you can decide if you want to purchase the recommended portfolio, and if so, how much money you would like to invest. For more information on how we make Recommendations, and the standard of care we provide to you, please read the [RHF Regulation Best Interest Disclosure](#). We are not subject to a fiduciary duty to you and do not monitor or manage your account, including the monitoring of brokerage account investments (regardless of whether such investments were self-directed or part of a Recommendation).

Aside from the limited Recommendations scenario, when your account is self-directed, and you make all of your own investment decisions, the licenses, education and other qualifications of our financial professionals are not directly relevant to your investment decisions. However, in the limited circumstance where you do receive a one-time investment recommendation from Robinhood Financial, that Recommendation will be generated by computer technology, and is not made to you by a Robinhood Financial professional. To the extent that our financial professionals were involved in the development of the algorithms and technology behind the Recommendation, those financial professionals were appropriately licensed with necessary industry licenses, such as the Series 7, and their relevant work was supervised by financial professionals with appropriate industry licenses and experience such as the Series 24. Robinhood has on staff an



Investment Manager for the ongoing due diligence of the investments within the Recommendations feature. Robinhood Financial professionals are available to provide purely administrative account support through an online email system, chat and [phone support](#), which you can request through the Robinhood App. If you decide to engage our services, you must be comfortable with investing your assets on your own.

Robinhood Financial is registered as a broker-dealer with the Securities and Exchange Commission (“SEC”), as well as with the states and territories listed on Financial Industry Regulatory Authority’s (“FINRA’s”) [BrokerCheck](#) website, and is a member of FINRA and the [Securities Investor Protection Corporation](#) (“SIPC”). Your account is carried on a fully-disclosed basis by our affiliate and clearing firm, Robinhood Securities, LLC (“Robinhood Securities” and together with Robinhood Financial “Robinhood”), also registered with the SEC, as well as with the states and territories listed on FINRA’s [BrokerCheck](#) website, and is a member of FINRA and SIPC. Robinhood Financial’s Central Registration Depository Number (“CRD”) is 165998 and Robinhood Securities’ CRD Number is 287900.

Conversation Starter: *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?*

Response: If you choose to open a self-directed brokerage account through Robinhood Financial with \$10,000 and direct us to purchase certain securities, you will not pay commissions on your trades. However, other fees and costs apply to your investments, account, and optional features, as explained below:

- **Robinhood Gold Membership:** If you choose to subscribe to be a Robinhood Gold Member, you may have access to certain premium features such as the ability to participate in the brokerage cash sweep program with a preferred annual percentage yield (APY) rate, the ability to receive a preferred match rate for eligible IRA contributions, the ability to receive an increase in Robinhood Instant deposits based on your account balance, and access to certain Level II Market Data and Morningstar Equity Research. As a Robinhood Gold Member, you are charged Gold subscription fees separately from executing any buy and sell orders. Gold subscription fees are detailed in the [Fee Schedule](#). As a result, if you invest \$10,000 as a Robinhood Gold Member your investment will be \$10,000 minus regulatory trading fees and the Gold subscription fee deducted from your brokerage account balance. Thus, if you invest \$10,000 in your first month as a Robinhood Gold Member, the applicable fees will be deducted from the assets in your account.



More information about Robinhood Gold can be found in the [Robinhood Gold Agreement](#).

- **Margin Accounts:** If you apply for and are approved to use margin investing in your account, you will use borrowed funds from Robinhood to trade a financial asset within your self-directed brokerage account (please see the [Robinhood Margin Disclosure Statement](#) and the [Robinhood Customer Margin Agreement](#) for the terms of your loan and important risks associated with margin trading). Please see the Robinhood [Fee Schedule](#) for applicable interest rates on amounts borrowed on margin. Applicable margin interest rate is an annualized rate and will be deducted from the assets in your account on a monthly basis. If you are a Gold Member you will receive your first \$1,000 of margin interest-free. If you then borrow more than \$1,000 dollars, you will incur the current margin interest rate on additional funds being borrowed from Robinhood. As a result, if you invest \$10,000 in your margin account, your investment will be \$10,000 minus regulatory trading fees and the current margin interest on the amount borrowed over the first \$1,000. Thus, if you invest \$10,000 in your first month the applicable fees will be deducted from the assets in your account. For example, if the applicable margin interest rate is 6.75%, and you invest \$10,000, you will have to pay an annualized percentage rate of 6.75% interest on any borrowed funds in excess of \$1,000 used to purchase your investment(s).
- **Accounts with Recommendations:** If you use our Recommendations feature, you will not pay any fees associated with receiving the Recommendation, and there are also no ongoing costs or fees that you pay to Robinhood, but part of the amount you invest in the Recommended ETFs will be allocated to management fees paid to the ETF's manager (called the Expense Ratio) which will negatively impact your investment returns. More detail about the expense ratio for Recommended ETFs can be found within the ETF's prospectus.

Conversation Starter: *How might your conflicts of interest affect me, and how will you address them?*

Response: The way we make money creates conflicts with your interest. Here are some examples and how we address them:

Payment for Order Flow: Robinhood earns revenue from your trade activity and therefore has a monetary incentive for you to trade more. Specifically, we earn revenue from third-party market centers to which we route your orders. This creates an incentive for us to route orders to market centers who pay or rebate us for such orders, subject to our best execution requirements. Each market center to which we route orders pays rebates at the same rate and so Robinhood does not distinguish between these markets on the basis of rebates. Robinhood seeks best execution for every order and leverages firm governance to oversee and supervise regular and rigorous reviews of trade execution independent of payment for order flow revenue. For additional information please see our 606 Report within the [Disclosure Library](#).

Brokerage Cash Sweep Program: [Program Banks](#) participating in our [brokerage sweep program](#) ("Sweep Program") pay Robinhood Securities a fee equal to a certain percentage of the daily deposit balance of your cash deposited at the Program Bank. The fees Robinhood Securities receives vary depending on the Program Bank, creating an incentive for us to use Program Banks in the Sweep Program that pay us more. Additionally, we earn money on the difference (or spread) between the rate the Program



Bank pays you for the cash in your account and the fee paid to us by Program Banks for the use of your cash, so Robinhood has an incentive to send your cash to Program Banks, and you receive a lower yield than if the Program Bank did not pay us a fee. The Sweep Program is an optional service that you must enroll into in order to earn interest on your uninvested cash. It is important to note that cash is not covered by SIPC when it is deposited in FDIC insured Program Banks.

For information on conflicts of interest as they relate to Recommendations, please see our [Regulation Best Interest Disclosure](#).

Robinhood fully discloses conflicts associated with the Cash Sweep Program and Payment For Order Flow within our [Form CRS](#) and the [Regulation Best Interest Disclosure](#); these disclosure documents are located within our [Disclosure Library](#) located on our website and through the Mobile App. We also include educational articles within our help center online regarding both Cash Sweeps and Payment for Order Flow.

Robinhood encourages you to read and familiarize yourself with disclosure documents relevant to your relationship with us, as well as exploring our help center and blog posts for relevant topics.

Conversation Starter: *As a financial professional, do you have any disciplinary history? For what type of conduct?*

Response: Yes. Information about Robinhood's disciplinary history can be found in [Robinhood Financial's BrokerCheck Report](#) and [Robinhood Securities' BrokerCheck Report](#). Robinhood Financial professionals are available only to provide account support through Robinhood's online email system, chat or phone support. Information about a financial professional's disciplinary history may be found at [Investor.gov/CRS](https://investor.gov/CRS) and on FINRA's BrokerCheck website at <https://brokercheck.finra.org/>.

Conversation Starter: *Who is my primary contact person? Are they a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?*

Response: While your account is entirely self-directed and our platform is fully-integrated through our website and the Robinhood Mobile App (except for computer-generated recommendations provided in limited circumstances), certain customer service representatives, who may be registered representatives of Robinhood Financial, a broker-dealer, depending on your needs, are able to assist you with your questions and concerns by emailing help@robinhood.com or visiting <https://robinhood.com/contact>, or by requesting phone or chat support through the Mobile App. Robinhood's registered representatives may also be registered with our affiliated investment adviser, Robinhood Asset Management LLC. Should you require escalated services, Managers or a dedicated team of customer service agents are available to provide "White Glove Service."

A specialized team will be available to assist with questions surrounding operational questions regarding the Recommendations feature, which is offered only on the Mobile App.