

www.passfolio.us

A Beginner's Guide to Passfolio



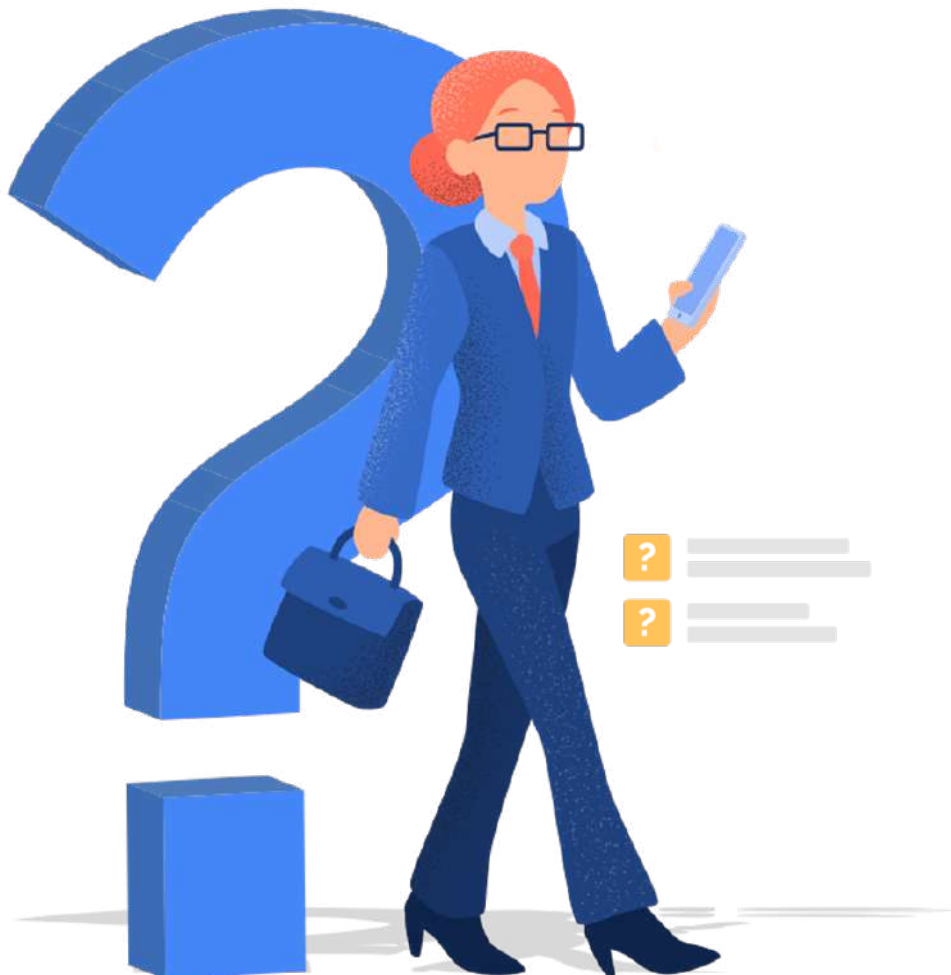
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Introduction

Welcome to Passfolio!
If you're new to investing in
the US Stock Market, don't worry.
We've created a comprehensive guide
with just about everything you need to
know to get started.





Part 1

Frequently Asked Questions

Here are answers to the most frequently asked questions about Passfolio.

What is Passfolio?

Passfolio is a San Francisco fintech company that through its United States Money Services Business and SEC registered broker-dealer, provides **fast, easy, and secure access** to the **US stock market and cryptocurrencies**.

Passfolio's mobile app lets people in over **170 countries** invest in United States dollars, stocks, ETFs, and REITs using their **local currency** and transfer methods or cryptocurrency.

Passfolio is the brand name of Panchain, Inc. Passfolio Securities LLC and Passfolio Financial LLC are fully-owned subsidiaries of Panchain, Inc.

Disclosure:

Passfolio strives to implement industry standard security measures. Please see <https://passfolioapp.com/security> for more info.

Passfolio Financial is a United States Money Services Business registered with FinCEN. Passfolio Securities is a United States SEC registered broker dealer, and member of FINRA and SIPC which protects securities customers of its members up to \$500,000 (including \$250,000 for claims for cash). Explanatory brochure available upon request or at www.sipc.org.

Is Passfolio a registered broker-dealer?

Passfolio Securities is a United States SEC-registered broker-dealer, and a member of both the Financial Industry Regulatory Authority (**FINRA**) and the Securities Investor Protection Corporation (**SIPC**), which protects securities customers of its members **up to US\$500,000** (including US\$250,000 for claims for cash). Explanatory brochure available upon request or at www.sipc.org.

For more information on Passfolio, you can find us on <https://brokercheck.finra.org/firm/summary/299874>.

Passfolio strives to implement industry standard security measures.

Please see: <https://passfolioapp.com/security> for more info.



Is Passfolio secure?

Passfolio strives to implement industry standard security measures. Your password is never stored in plaintext - it is hashed using the industry-standard BCrypt hashing algorithm. Sensitive and private information such as your social security number are encrypted before they're written to disk.

All of our apps, websites, and servers securely communicate using the Transport Layer Security (TLS) protocol. For account login we require multi-factor authentication. Our mobile app supports TouchID, FaceID, or a custom pin code for unlocking.



Why invest in the American market?

Here are some reasons for you to start investing in the US stock market:

- The US is home to some of the most famous companies in the world, such as Apple, Amazon and Google;
- The US stock market has an **average annual return of 10% since** 1926 over the S&P 500 index (<https://www.investopedia.com/ask/answers/042415/what-average-annual-return-sp-500.asp>). Past performance does not guarantee future results;
- The US stock market is the most liquid in the world, with more than 30 trillion dollars in capitalization and 30 trillion dollars in trading volume (<https://tradingeconomics.com/united-states/market-capitalization-of-listed-companies-us-dollar-wb-data.html>);
- More than **250 foreign companies** such as XP, Inc. and Alibaba from 34 countries around the world trade in the US. market so you can have **a global portfolio** (<https://www.sec.gov/investor/alerts/adr-bulletin.pdf>).

What do I need to create my account?

To start investing in the US market, download Passfolio on the **App Store** or **Google Play**.

To create your Passfolio account, you just need to be at least **18 years old** and submit some basic information.

After submitting your information through the app, your application will typically be reviewed and approved **within one business day**.

If any additional information is required, we'll get in touch by email.

What are the fees and charges?

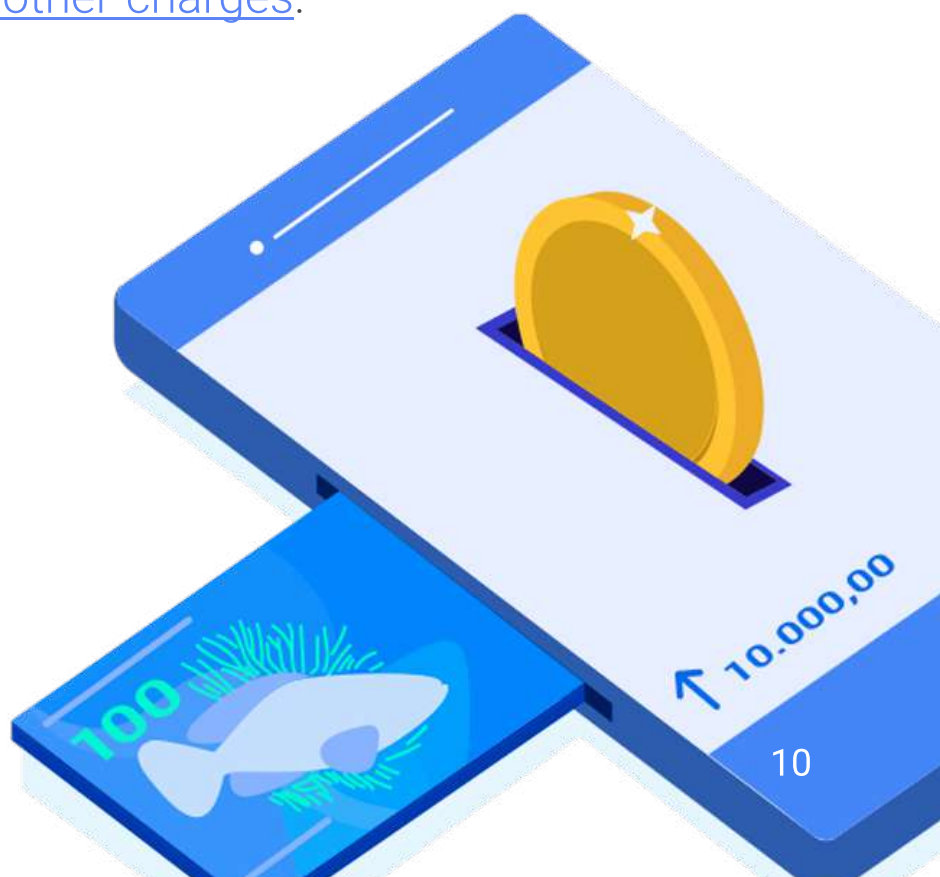
Passfolio charges **no commission fees**.

We make money from other sources such as interest on your uninvested cash and payment for order flow.

For TED deposits and withdrawals we charge a 1.2% currency conversion fee + 0.38% IOF. An additional R\$2.00 is charged for TED withdrawals.

You can find information on other charges on page 20, or you can visit

<https://pt-br.passfolio.us/other-charges>.





Part 2

How to Purchase or Sell Stock

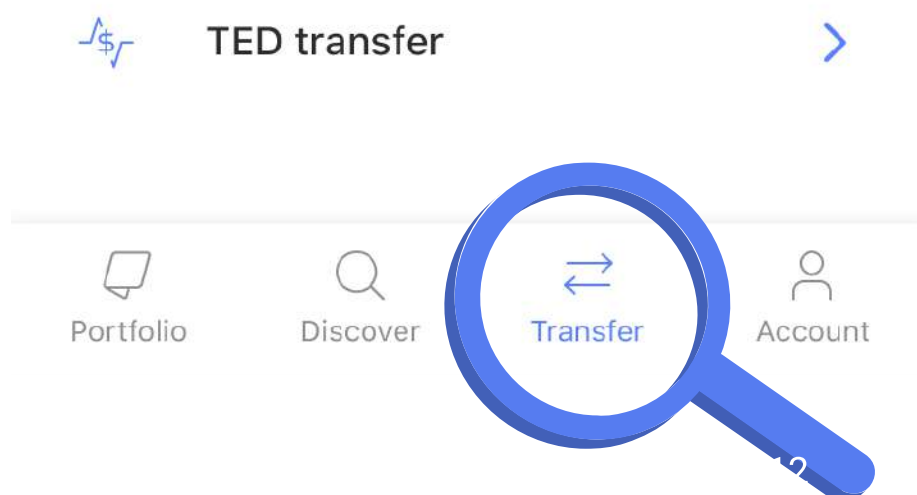
Now that you have your account approved, it's time to start investing.

Deposit funds

As a global app, Passfolio supports the following transfer methods: **USD paper checks, Wire Transfers, TransferWise, ACH, TEDs, SWIFT, SafetyPay, and SEPA**. However, the transfer methods available to you will vary according to your location.

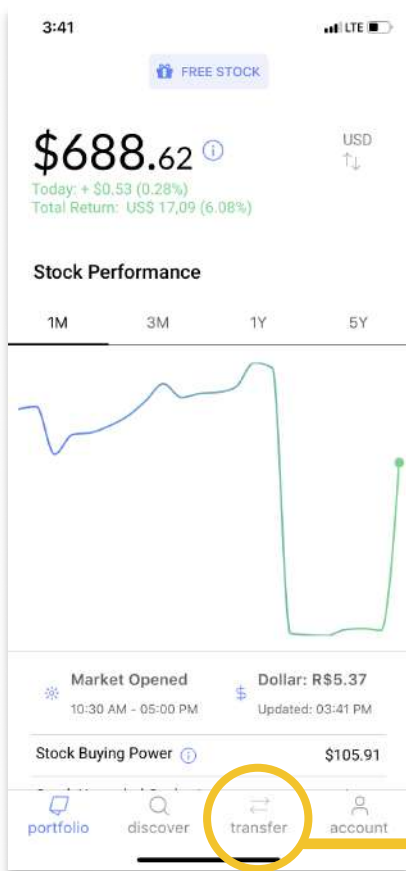
You will be able to access banking information for the preferred transfer method by accessing the **transfer** tab within the app.

After having transferred money to your account, your funds may take **a day or two to settle**. If you have any trouble funding your account, feel free to contact us at support@passfolio.us.

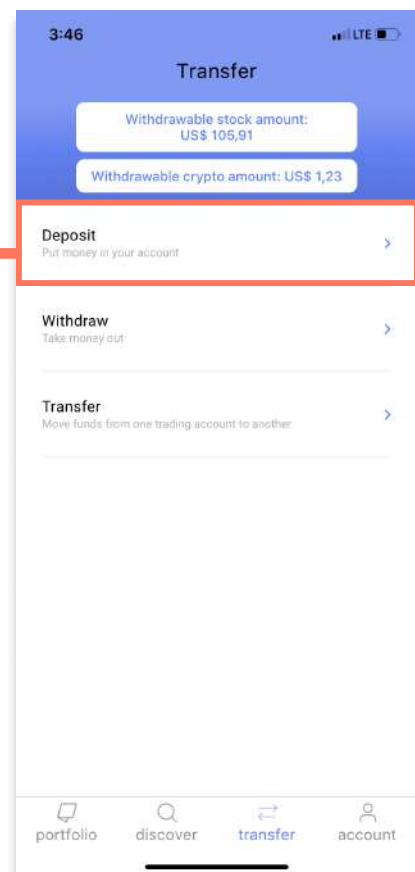


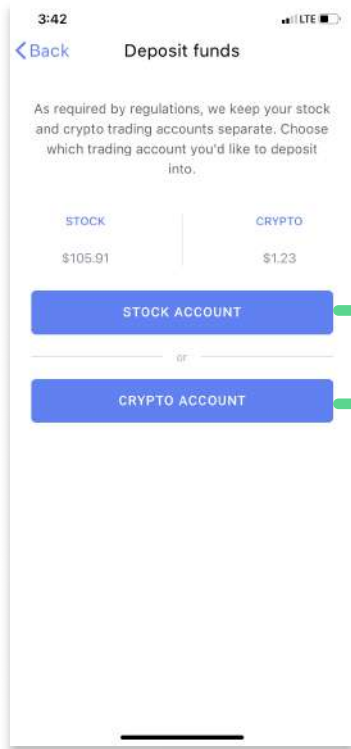
Steps to deposit funds:

- 1 Click on the “**Transfer**” button on the menu at the bottom of the screen



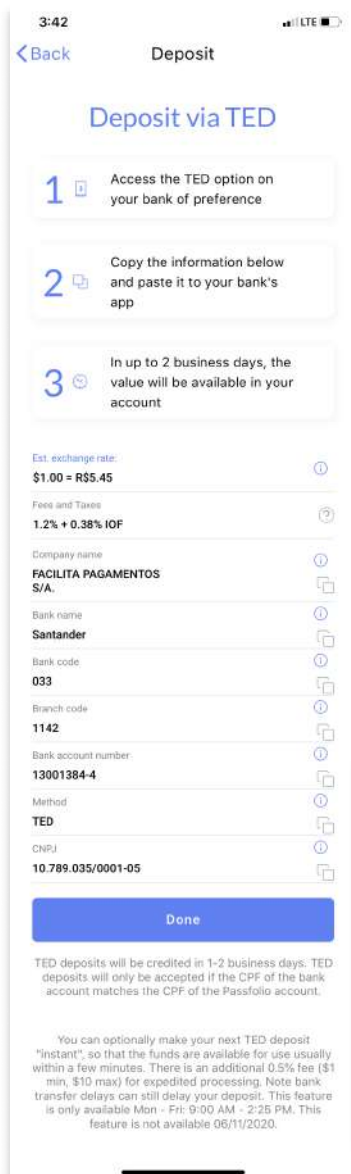
- 2 Click on the “**Deposit**” option on the menu





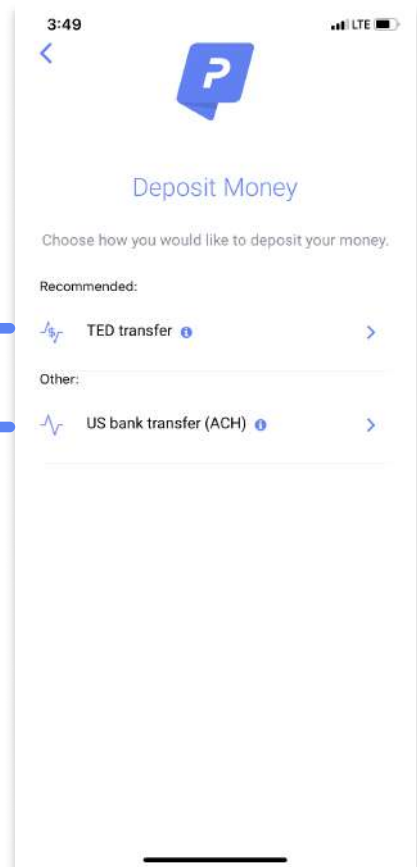
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Choose which account you want to deposit (Stock or Crypto account)



4

Choose how you would like to deposit (via TED or ACH)



5

Copy the information listed and paste it to your preferred bank app to make the deposit

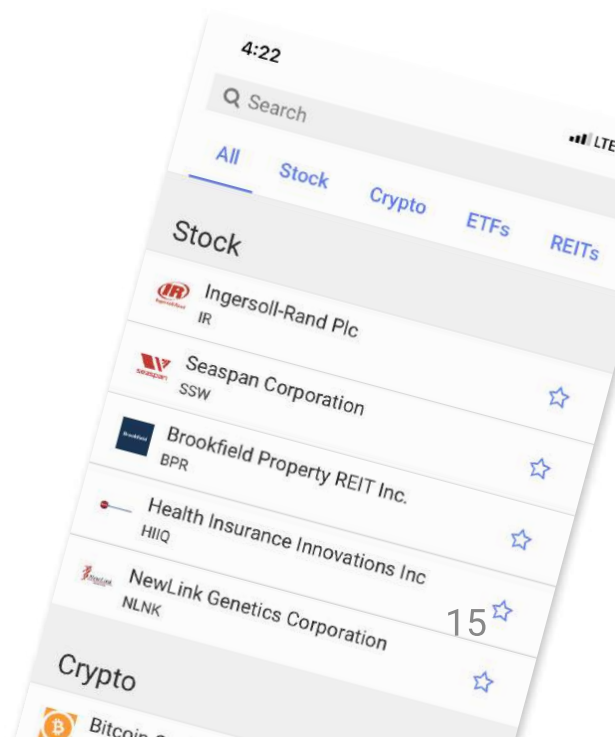


Invest in the companies you love

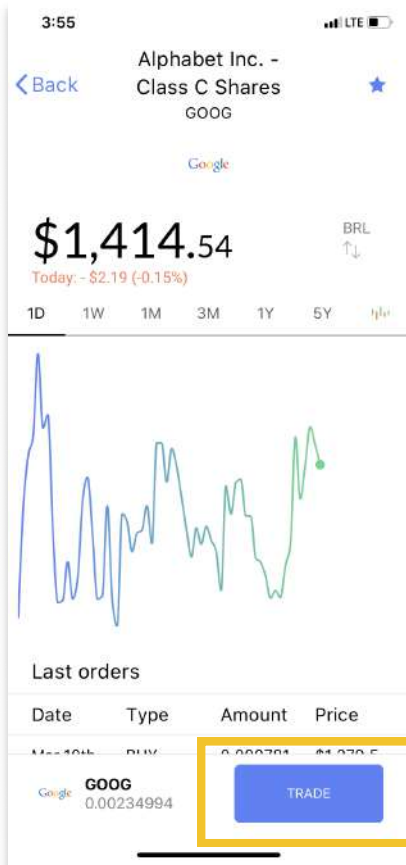
Now that you've successfully added funds to your account, you can **start investing in US stocks**. Just access the **"Discover"** tab and search for a company you want to invest in. Then, once you've found it, all you have to do is decide how much stock you want to buy.

Passfolio lets you choose to either input **how many shares** you want to purchase or type in how much you want to **invest in USD**.

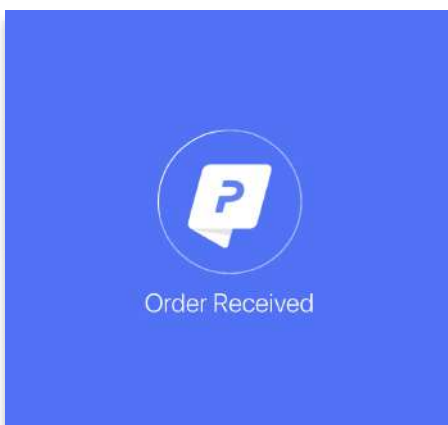
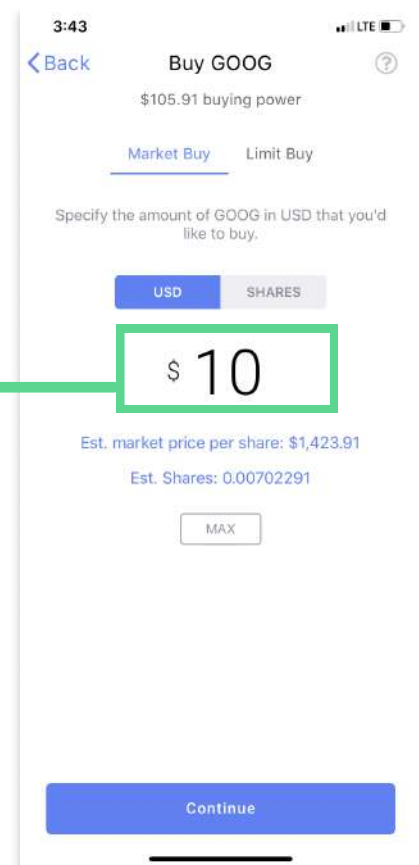
Just remember to do your research and only buy stock from companies you believe fit your investment objective, financial situation and risk profile.



1 Choose an asset you want to buy/sell and click “Trade”



2 Type in the amount you want to buy/sell in shares or in dollars

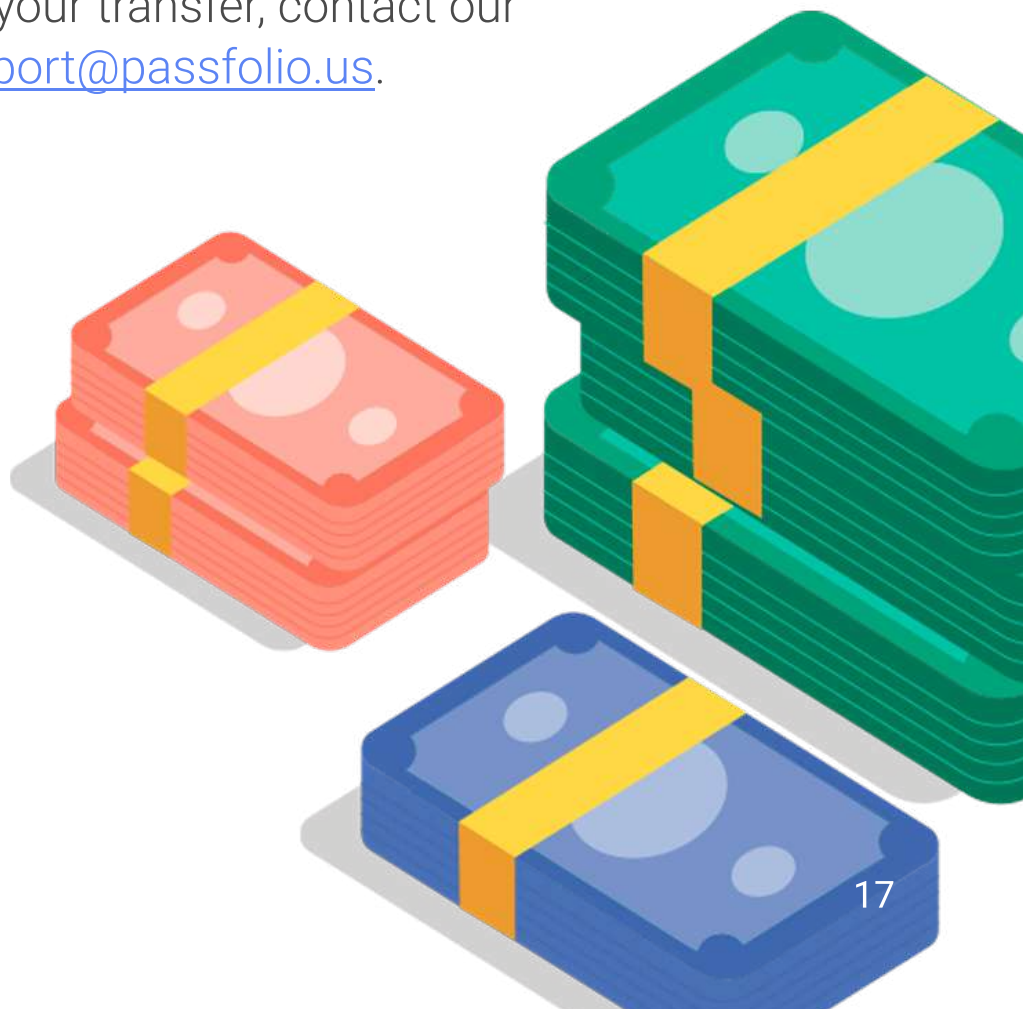


3 Confirm you order and that's it!
Your order has been received

Claim your returns

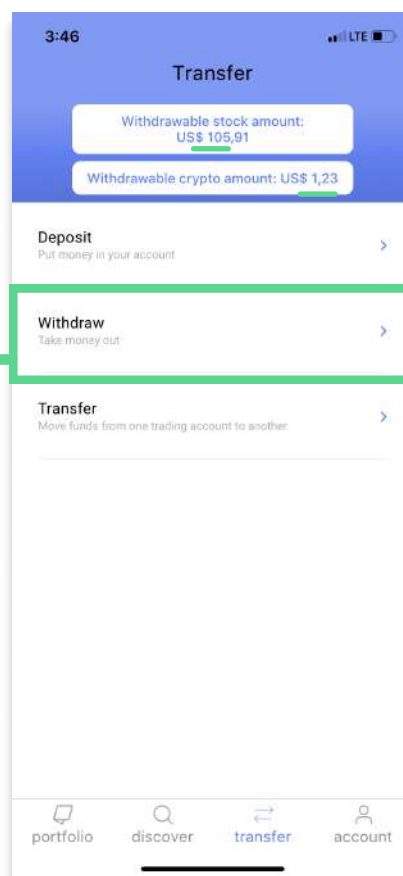
After you sell a stock, cash is made available in your account. To **withdraw funds**, access the **transfer** tab and select "withdraw". Then, select to either withdraw from your **stock account** or **crypto account** and specify the amount you'd like to transfer to your bank.

Once a withdrawal order is placed, funds should be made available in your bank account in **1 to 2 business days**. If you have any issues or questions regarding your transfer, contact our support team at support@passfolio.us.



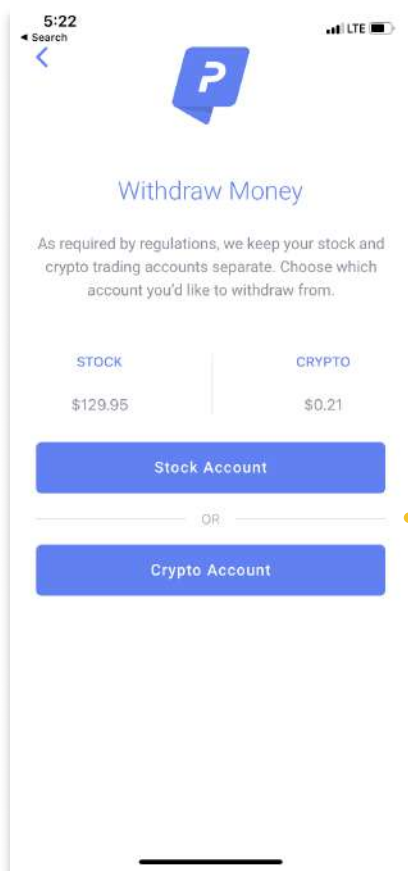
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To withdraw funds, access the **transfer** tab and select "withdraw"



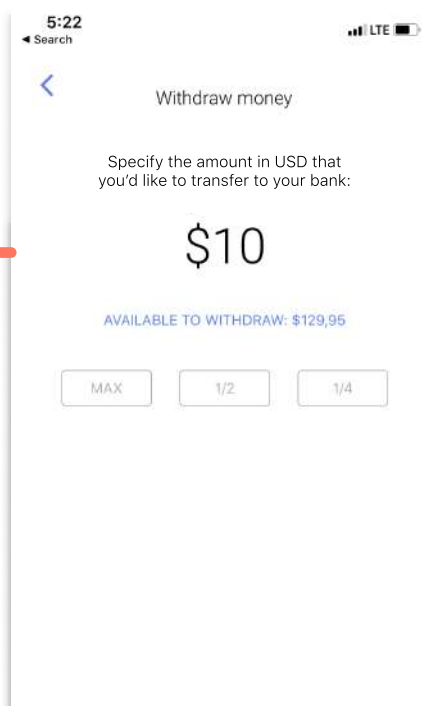
2

Then, select to either withdraw from your stock account or crypto account



3

Choose the value you want to withdraw, then follow the next steps to input your bank account information



Part 3

Fees and other charges

Passfolio Securities, as your US stock broker, don't charge you commission or account fees for trading stocks.

To trade cryptocurrencies through Passfolio Financial, our US Money Services Business, our crypto partner Gemini charges 0.35% on each crypto trade, but we do not charge any fees on top of that.

Opening, maintaining, and closing your crypto account with Passfolio Financial are all free.

Please see the next page to get a clear view of any applicable fees or charges related to third party applications.

Trades

Stocks	FREE
ETFs	FREE
REITs	FREE
ADRs	FREE
Closed-End Funds	FREE

Account maintenance

Physical copy of trade confirmations	\$3.00 per confirmation
Physical copy of monthly account statements	\$5.00 per statement
Tax document request (fax and regular mail)	\$25.00

Account transfer charges

ACAT out USA	\$50.00 per account
ACAT out international	\$100.00 per account
ACAT incoming	FREE
ACAT pass through fee	\$0.10 per position (inbound and outbound)
DWAC transfers	\$75.00 per position
DTC deliveries/receives	\$15.00 per position
DRS transfer incoming and outgoing	\$50.00 per position

Transfers

Deposits*

Paper check	FREE
Wire transfer	FREE
ACH transfer	FREE
TransferWise	FREE
SWIFT transfer	FREE
SEPA	FREE
SafetyPay	FREE
TED	1.2% currency conversion fee + 0.38% IOF

Withdrawals

Paper check	\$3.00
Wire transfer	\$25.00
ACH transfer	\$0.25
Wire transfer to other countries	\$35.00
TED	1.2% currency conversion fee + 0.38% IOF + R\$2.00

Miscellaneous

Returned checks	\$20.00
Check stop payments	\$25.00
Overnight check delivery	\$20.00
Returned wire transfers	\$25.00

*Check third-party fees and charges

How to Report Taxes for Offshore Investments

Many people who are new to Passfolio get concerned about how they should report taxes for their offshore investments. Don't worry - we've partnered up with **Meu Contador** (https://www.instagram.com/meu_contador/), a licensed accountant in Brazil, to create a guide with key information you need to know.

Guide:
<https://pt-br.passfolio.us/imposto-renda-investimentos-no-exterior>

Disclosure:

The information provided should not be considered legal or tax advice. Consult an attorney or tax professional regarding your specific situation.

Part 4

News and Updates

Every week, we share fresh content about investing in the US stock market. Visit our blog, follow us on social media and sign up to our newsletter to stay tuned!

- Visit the Passfolio Blog - <https://www.passfolio.us/blog>
- Follow us on Instagram - <https://www.instagram.com/passfolioapp/>
- Watch our videos on Youtube - https://www.youtube.com/channel/UC4QiDUiCG0lnKf8vwr9Vx_A

Disclosures

Please see our [disclosures on other charges](#).

Please see the [terms of our referral program](#).

Please see our [fractional shares disclosure](#).

Please read [important legal disclosures](#) that apply to your relationship with Passfolio.

Securities and cryptocurrencies are very different types of assets.

Cryptocurrencies are not securities.

Purchasing cryptocurrencies comes with a number of risks. Please read Passfolio Financial Cryptocurrency Risk Disclosure.

Currency and cryptocurrency exchange services provided by Passfolio Financial LLC ("Passfolio Crypto"), a US Money Services Business registered with FinCEN. Passfolio Financial LLC is not a broker dealer. Cryptocurrencies are not protected by either FDIC or [SIPC](#).

Securities products and services offered to self-directed investors through Passfolio Securities LLC Member [FINRA](#) / [SIPC](#). Passfolio Securities, LLC does not provide cryptocurrency-related services. Passfolio Securities LLC is a member of SIPC, which protects securities customers of its members up to \$500,000 (including \$250,000 for claims for cash). Explanatory brochure available upon request or at www.sipc.org.

Passfolio is the brand name of Panchain, Inc. Passfolio Securities LLC and Passfolio Financial LLC are fully-owned subsidiaries of Panchain, Inc.

To purchase securities using cryptocurrencies, you must first convert it into U.S. Dollars using Passfolio Financial LLC. You must then move the U.S. Dollar proceeds to your brokerage account at Passfolio Securities LLC where you can use it to buy securities.

Online trading has inherent risk due to system response, execution price, speed, liquidity, market data and access times that may vary due to market conditions, system performance, market volatility, size and type of order and other factors. An investor should understand these and additional risks before trading.

Content, news, research, tools, market data and securities symbols are for educational and illustrative purposes only and do not imply a recommendation or solicitation to buy or sell a particular security or to engage in any particular investment strategy. The information provided is not warranted as to completeness or accuracy and is subject to change without notice. The information provided should not be considered legal or tax advice. Consult an attorney or tax professional regarding your specific situation. The projections or other information regarding the likelihood of various investment outcomes are hypothetical in nature, are not guaranteed for accuracy or completeness, do not reflect actual investment results and are not guarantees of future results. All investments involve risk, losses may exceed the principal invested, and the past performance of a security, industry, sector, market, or financial product does not guarantee future results or returns. Consider the investment objectives, risks, charges, and expenses of a fund before investing. Contact us for a prospectus containing this information. Please remember that diversification is not an investment strategy without risk, and in certain circumstances, it may not fit your investment objectives.

Certos serviços ("Serviços") oferecidos por meio de nosso Aplicativo são oferecidos apenas em jurisdições onde é legal fazer isso. A disponibilidade dos Serviços pela internet não é uma solicitação ou oferta dos Serviços a qualquer pessoa em qualquer jurisdição onde tal solicitação ou oferta for ilegal. Nós nos reservamos o direito de limitar a disponibilidade dos Serviços a qualquer pessoa, região geográfica ou jurisdição, a qualquer momento e a nosso critério exclusivo. Não declaramos que os Serviços são apropriados ou disponíveis para uso em locais fora dos Estados Unidos ou que o acesso ao nosso Aplicativo é legalmente permitido em países ou territórios onde os Serviços podem ser ilegais. Se acessar os Serviços em outros locais, você o fará por sua conta e risco, e você é responsável pelo cumprimento das leis locais.

Os investidores devem considerar cuidadosamente os objetivos de investimento, riscos, encargos e despesas de um Fundo Negociado em Bolsa ("ETF", sigla em inglês) antes de investir. Antes de investir em qualquer ETF, considere seu objetivo de investimento, os riscos, os encargos e as despesas. Entre em contato conosco em support@passfolioapp.com para obter um prospecto com essas informações. Leia-o atentamente. Os ETFs estão sujeitos à flutuação do mercado e aos riscos de seus investimentos subjacentes. Os ETFs estão sujeitos a taxas de administração e outras despesas. As ações de ETF são compradas e vendidas a preço de mercado, que pode ser maior ou menor que o Valor Líquido do Ativo ("NAV"), e não são resgatadas individualmente do fundo. Os retornos do investimento variam e estão sujeitos à volatilidade do mercado, de modo que as ações de um investidor, quando resgatadas ou vendidas, podem valer mais ou menos que seu custo original. Os ETFs estão sujeitos a riscos semelhantes aos das ações. Alguns fundos negociados em bolsa especializados podem estar sujeitos a riscos adicionais de mercado. Os produtos negociados em bolsa alavancados e inversos não foram concebidos para investidores que fazem "buy and hold" ou investidores que não pretendem gerenciar seus investimentos diariamente. Esses produtos são para investidores sofisticados que estão cientes de seus riscos (incluindo o efeito da composição diária dos resultados de investimentos alavancados) e que pretendem monitorar e gerenciar ativamente seus investimentos todos os dias.

Certifique-se de considerar sua própria situação financeira, realizar uma pesquisa completa e consultar um profissional tributário qualificado antes de tomar qualquer decisão de investimento referente a REITs. Os investimentos em REITs e outros títulos imobiliários estão sujeitos aos mesmos riscos que os investimentos diretos em imóveis. O setor imobiliário é particularmente sensível às crises econômicas.

Quando um investimento é denominado em uma moeda que não seja a moeda do investidor, as mudanças nas taxas de câmbio podem ter um efeito adverso no valor, preço ou receita derivada do investimento.

Os produtos de valores mobiliários: Não têm cobertura do FDIC · Não possuem garantia bancária · Podem perder valor

Market data refreshed at least every 15 minutes unless otherwise indicated. Os dados de mercado são atualizados pelo menos a cada 15 minutos, salvo outra indicação. Dados de mercado fornecidos por Polygon.

Os relatórios de corretagem da FINRA para a Passfolio Securities LLC estão disponíveis em <https://www.finra.org/brokercheck>.

As marcas registradas e os logotipos são de propriedade dos respectivos proprietários e não representam nenhum tipo de aprovação. Salvo outra indicação, a Passfolio Securities, LLC e suas afiliadas não são parceiras, afiliadas ou licenciadas dessas empresas.

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