



# acorns

Acorns Advisers, LLC  
5300 California Ave.  
Irvine, CA. 92617  
[www.acorns.com](http://www.acorns.com)

November 22, 2024

## **Item 1 – Cover Page**

This Wrap Fee Program Brochure provides information about the qualifications and business practices of Acorns Advisers, LLC (“Acorns”). If you have any questions about the contents of this Brochure, please contact us at (855) 739-2859 or email us at [support@acorns.com](mailto:support@acorns.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or any state securities authority.

Acorns is an Investment Adviser registered with the SEC under the Investment Advisers Act of 1940, as amended (the “Advisers Act”); however, such registration does not imply a certain level of skill or training. Additional information about Acorns is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 – Material Changes**

This Wrap Fee Program Brochure (“Brochure”) dated November 22, 2024, is a revised document prepared according to the Securities and Exchange Commission’s (“SEC”) rules and requirements. The following information provides a summary of material changes that have been made to this Brochure and the Client Relationship Summary (“Form CRS”) since the last annual update on March 28, 2024.

November 22, 2024

Under *Services, Fees and Compensation*: Updated subscription plan names.

Under *Form CRS*: Updated fee section with updated subscription plan names.

August 21, 2024

Under *Services, Fees and Compensation*: Updated subscription plan names.

Under *Form CRS*: Updated fee section with updated subscription plan names.

July 18, 2024

Under *Services, Fees and Compensation*: Updated subscription fees.

Under *Form CRS*: Updated fee section with updated subscription fees.

Please review all sections of this Brochure carefully before making investment decisions, and contact Acorns with any questions.

### **Item 3 – Table of Contents**

|  |    |
|--|----|
| Item 1 – Cover Page  | 1  |
| Item 2 – Material Changes                                  | 2  |
| Item 3 – Table of Contents                                 | 3  |
| Item 4 – Services, Fees and Compensation                   | 4  |
| Item 5 – Account Requirements and Types of Clients         | 11 |
| Item 6 – Portfolio Manager Selection and Evaluation        | 11 |
| Item 7 – Client Information Provided to Portfolio Managers | 12 |
| Item 8 – Client Contact with Portfolio Managers            | 12 |
| Item 9 – Additional Information                            | 12 |

## **Item 4 – Services, Fees and Compensation**

### **Description of Advisory Business and Services Offered**

Acorns is an Investment Adviser, registered with the SEC under the Investment Advisers Act of 1940, providing robo-advisory services to its clients through a Wrap Fee Program. This Brochure describes the Wrap Fee Program offered by Acorns that bundles or “wraps” discretionary and non-discretionary investment advisory services, brokerage, custody, clearing and settlement, as well as other administrative services together and charges a single inclusive advisory fee.

Investment opportunities provided by Acorns are designed to encourage automated investments in non-retirement and retirement accounts, but Acorns does not provide financial planning, tax, accounting or legal advice. Acorns’ investment advisory services are provided principally through Acorns’ mobile application and web-based application (together, the “Acorns App”).

Acorns offers the following investment accounts (“Acorns Account(s)”):

- (1) Traditional individual investment accounts (“Acorns Invest Account”)
- (2) Individual Retirement Accounts, often referred to as “IRAs” (“Acorns Later Account”), and
- (3) UGMA/UTMA investment accounts for the benefit of minors (“Acorns Early Invest Account”)

### **ETF Model Portfolios**

The primary service Acorns provides to investors is investment advice through model portfolios comprised of Exchange Traded Funds (“ETFs”). Acorns’ model portfolios reflect target asset allocations across various asset classes, for example stocks (equities) and bonds (fixed income). The ETFs within the model portfolios are managed by independent, third-party investment advisers. Acorns currently offers five (5) model portfolios reflecting investment outlooks and risk tolerances ranging from ‘conservative’ to ‘aggressive’ in the “Core Portfolio” and four (4) model portfolios in the “Environmental, Social and (Corporate) Governance (“ESG”) Portfolio” (there is no “conservative” model portfolio available in the ESG Portfolios). Acorns designs the portfolios and manages their target asset allocations utilizing strategies based on modern portfolio theory. Acorns uses a proprietary computer software-based algorithm to match each client’s Acorns Account(s) to the portfolio best suited to the client’s investment goals based on an investor profile (as described below) that each client creates and maintains through the Acorns App.

Acorns’ software-based algorithm, developed and monitored by Acorns’ personnel, determines a client’s initial portfolio by selecting the best suited model portfolio based on a client’s investor profile questionnaire, which incorporates a client’s financial situation, investment horizon, and risk profile, among other factors. A client can choose to override such algorithmic determination by selecting a different portfolio. Acorns reviews and evaluates portfolio allocation determinations periodically in line with material updates to a client’s investor profile. As a result, Acorns recommends that clients ensure their financial condition, risk tolerance and investment goals are kept current in their investor profile on the Acorns App.

With respect to Acorns Early Invest accounts, Acorns utilizes the “aggressive” Portfolio for all

Acorns Early Invest accounts based on the age of the beneficiaries. With respect to Acorns Later accounts, Acorns determines a client's initial portfolio by selecting a model portfolio based solely on a client's age.

To align the target asset allocation of an Acorns Account with the portfolio selected by Acorns based upon the client's investor profile, Acorns purchases ETFs through its affiliate Broker Dealer, Acorns Securities, LLC ("Acorns Securities"). As clients make deposits into, or withdrawals from, their Acorns Accounts, the corresponding transactions made by Acorns are designed to rebalance the account toward the target allocation of the relevant Portfolio. Upon a client's request to withdraw from an Acorns Account, sales of the ETFs underlying such client's portfolio are initiated in a manner designed to maintain the target allocation of the relevant portfolio. Acorns will initiate a rebalancing if an Acorns Account's holdings deviate significantly (i.e., by 5% or more) from the applicable portfolio's target allocation. In this way, Acorns seeks to maintain the client's target asset allocation through market fluctuation, withdrawals, deposits, and other events that could cause deviations, while seeking to minimize the transaction costs of frequent portfolio rebalancing. Rebalancing transactions are automatic, as are dividend reinvestments.

The rebalancing and reinvestment processes are automated. As a result, Acorns will sell over concentrated ETFs and use the proceeds to buy under concentrated ETFs to better reflect target allocations regardless of market or other dynamics. The risks and limitations of the automated process could result in the continued purchase of underperforming ETFs and the sale of better performing ETFs to achieve the targeted allocation. All transaction specific costs are covered under the subscription fee paid by the client, and the client incurs no additional transactional costs or fees. In some market conditions, this creates capital gains and other potential tax liabilities. Any costs imposed by the manager of the ETF would be expressed through the pricing of the ETF.

Acorns designed the selection and relative weighting of the ETFs in each of the portfolios to pursue specific investment objectives, including diversification. Removing an ETF from any of the portfolios will change the weightings of the ETFs in the resulting altered portfolio, in a way that deviates from Acorns' investment advice and may impact performance.

Notwithstanding the foregoing, clients can request to impose certain limited management restrictions on their account, which are implemented at the discretion of Acorns, by excluding an ETF that would otherwise be included in a portfolio. Due to the relatively small number of ETFs in each of the Portfolios, the exclusion of an ETF will alter the composition and risk level of a portfolio. Additionally, it shall prevent a client from accessing the Acorns App due to the deviation from a programmed portfolio. If an ETF is excluded from a portfolio, allocations to the remaining ETFs in the portfolio will be made in the same relative proportions. Excluding an ETF from a portfolio may impact the performance of the portfolio, and the modified portfolio may not be suitable with respect to a client's stated investment objectives, risk tolerance, financial condition or other facts and circumstances. Prior to making an exclusion or other modification request, clients should carefully review and analyze all pertinent information about the portfolios available on the Acorns website or through the Acorns App, including the impact the removal of an ETF could have on how the modified portfolio aligns with their investment goals and risk tolerance. Clients can request reasonable restrictions on the management of their

Acorns Account or request to modify existing restrictions by calling (855) 739-2859 or emailing [support@acorns.com](mailto:support@acorns.com).

Bitcoin-linked ETF

In addition to the model portfolios described above, a client can elect to allocate a portion of their Acorns Invest Account into a bitcoin-linked ETF. Acorns has developed allocation limits for the bitcoin-linked ETF based on a client’s investment outlook and risk tolerance, in the amounts set forth below:

| Investor Profile        | Maximum Percentage of Acorns Invest Account Allocable to Bitcoin-linked ETF |
|-------------------------|---|
| Conservative            | 1%  |
| Moderately Conservative | 2%  |
| Moderate                | 3%  |
| Moderately Aggressive   | 4%  |
| Aggressive              | 5%  |

Custom Portfolios

In addition to the ETF model portfolios and bitcoin-linked ETF described above, certain clients can affirmatively elect to allocate a portion of their Acorns Invest Account into a Custom Portfolio. An Acorns Custom Portfolio is a non-discretionary investment advisory account that allows clients to invest a portion of their overall Acorns Invest Account in fractional shares of equity securities. In a client’s Custom Portfolio, the client is responsible for choosing which securities to invest in, when to invest and sell them, and how much to allocate to each investment. Clients with Custom Portfolios are limited to the securities made available to them through the Acorns App. Acorns has developed allocation limits on Custom Portfolios based on a client’s investment outlook and risk tolerance, in the amounts set forth below:

| Investor Profile        | Maximum Percentage of Acorns Invest Account Allocable to Custom Portfolio |
|-------------------------|---|
| Conservative            | 10%   |
| Moderately Conservative | 20%   |
| Moderate                | 30%   |
| Moderately Aggressive   | 40%   |
| Aggressive              | 50%   |

Subject to the allocation limits above, clients can implement investment decisions and/or

investment strategies within a Custom Portfolio that do not coincide with their investor profile. While clients can choose to pursue investment strategies with their Custom Portfolios that are outside the scope of the investor profile, each client is solely responsible for any decision to invest in the Custom Portfolio and should carefully review and consider the information available on the Acorns App regarding each investment, as well as any applicable public company filing or report, before making any investment decision.

A client's Custom Portfolios can be concentrated to as few as one security. Therefore, Custom Portfolios add additional security-specific concentration risk. For example, equities may decline in value due to both real and perceived general market, economic and industry conditions. A security issued by a particular issuer may be impacted by factors that are unique to that issuer and thus may cause that security's return to differ from that of the market. Concentration of investments in a relatively small number of securities, sectors or industries, or geographical regions may significantly affect performance. In addition, the value of accounts may vary in response to changes in the market value of individual securities, sectors, industries, or geographical regions, and may lead to higher volatility. Custom Portfolios may be removed by a client at any time.

It is important to note that Custom Portfolios are not instant trading and are not intended for investors seeking to engage in frequent trading. The list of securities is exhaustive of those offered in the program and have not been limited, listed, ordered or presented in any fashion as having been made with your risk tolerance and objectives in mind. Nothing about the selection of securities being provided should be construed as advice or a recommendation of an investment strategy. Acorns may add, remove, re-categorize or replace the available investments. In the event an investment is removed, it will no longer be available for additional investing.

The information provided herein regarding the investment advisory services provided by Acorns is qualified in its entirety by reference to the Acorns Advisory Agreement and the Acorns Grow Program Agreement.

### **Assets Under Management**

As of December 31, 2023, Acorns total Assets Under Management ("AUM") are approximately \$8,210,969,354.

### **Compensation for Advisory Services & Wrap Fees**

Acorns' clients pay a monthly subscription fee ("Subscription Fee") to Acorns Grow Incorporated ("Acorns Grow"), the parent company of Acorns, for access to the Acorns Grow platform and its suite of financial wellness services. The Subscription Fee represents the total fee that clients pay each month<sup>1</sup>. It is composed of the "Acorns Advisory Fee" and the "Acorns

---

<sup>1</sup>*Subscription Fees are assessed and charged monthly on the Fee Date. The Fee Date refers to the Business Day each month when the applicable Subscription Fee for that calendar month will be withdrawn from the client's funding source. The Fee Date is the monthly anniversary of the date a client's first Acorns Account was verified ("Verified Date"). If the Verified Date or a Fee Date falls on a day that is not a business day, the Verified Date or Fee Date for that month will be the next business day. If the Fee Date falls on a day in the prior month (for example, due to weekends or holidays) the Fee Date is the first business day of the following calendar month. To the extent clients do not have sufficient funds*

Grow Program Fee”. The Acorns Grow Program Fee is assessed for clients’ overall access to the Acorns Financial Wellness System, including but not limited to, financial education information, banking services, and the Acorns Earn Program. The program may cost a client less than purchasing brokerage and advisory services separately. However, the use of Custom Portfolios to trade individual equity securities may cost more than the use of a brokerage account to engage in such trading.

The Subscription Fee is collected by Acorns Grow, after which Acorns Grow allocates to Acorns the Acorns Advisory Fee from the total Subscription Fee. The Acorns Advisory Fee covers investment advisory services provided to clients across all applicable Acorns Accounts, which may include Acorns Invest, Acorns Later and/or Acorns Early Invest Accounts. As further described below, the Acorns Advisory Fee is a flat fee that covers the costs of trade execution, clearance, custody, account reporting, and, if applicable, the services of the IRA Custodian and Administrator. Subscription Fees and the component Program and Advisory Fees are not negotiable. The amount of the Subscription Fee depends on the Subscription Plan in which a client is enrolled/subscribed, as further described below.

### **Fee Schedule<sup>2</sup>**

Acorns currently offers three Subscription Fee Plans<sup>3</sup>, all of which include the Acorns Grow Program Fee and the Acorns Advisory Fee.<sup>4</sup> A Bronze subscription (formerly referred to as “Personal”), a \$3 monthly Subscription Fee Plan, includes an Acorns Invest Account (Base Portfolio only), one or more Acorns Later accounts, access to the Acorns Earn Program, Acorns Checking, and basic financial wellness and educational content. The monthly Subscription Fee includes the \$0.10 Acorns Advisory Fee and a \$2.90 Acorns Grow Program Fee. A Silver subscription (formerly referred to as “Personal Plus”), a \$6 monthly Subscription Fee Plan, includes an Acorns Invest Accounts (Base Portfolio only), one or more Acorns Later Accounts, access to the Acorns Earn Program, Mighty Oak Banking, and premium financial wellness and educational content. The monthly Subscription Fee includes the \$0.10 Acorns Advisory Fee and a \$5.90 Acorns Grow Program Fee. A Gold subscription (formerly referred to as “Premium”), a \$12 monthly Subscription Fee Plan, includes an Acorns Invest Account (Base and Custom Portfolios), one or more Acorns Later Accounts, one or more Acorns Early Invest Accounts, access to the Acorns Earn Program, Mighty Oak Banking, premium financial wellness and educational content, premium-only benefits, and banking for kids with GoHenry by Acorns. The Subscription Fee includes the \$0.10 Acorns Advisory Fee and a \$11.90 Acorns Grow Program Fee.

Acorns changes its subscription fee plans from time to time, and, as a result, some clients are subject to legacy fee schedules, which may be higher or lower than the current fee schedules described above. Current clients should refer to the Program Agreement entered into with

---

*in their funding source to cover the Subscription Fee, Acorns will sell shares in such client’s Acorns Account to pay such Subscription Fee.*

<sup>2</sup> *Acorns reserves the right to waive or reduce the Subscription Fee at any time, for any period, and for any client at its sole and absolute discretion.*

<sup>3</sup> *Acorns began offering the Subscription Fee Plans described herein to new and existing clients beginning on 7/1/2024.*

<sup>4</sup> *Acorns does not charge the \$.10 Acorns Advisory Fee for accounts with a \$0.00 balance, and instead allocates that fee to the Acorns Grow Program Fee. The total Subscription Fee does not change.*



Acorns at the time of account opening or client-initiated subscription fee plan change.

If your Combined Monthly Balance on the Fee Date is \$1,000,000 or more and you do not have an Acorns Checking Account, a Subscription Fee of \$100 is paid per every \$1,000,000 of Combined Monthly Balance on the Fee Date. For the avoidance of doubt, the Subscription Fee is one hundredth of one percent (.01%) of the number obtained by rounding your Combined Monthly Balance down to the nearest whole multiple of \$1,000,000.

If your Combined Monthly Balance on the Fee Date is \$1,000,000 or more and you have either an Acorns Early Invest Account or Acorns Checking Account, a Subscription Fee of \$100 is paid per every \$1,000,000 of Combined Monthly Balance on the Fee Date. For the avoidance of doubt, the Subscription Fee is one hundredth of one percent (.01%) of the number obtained by rounding your Combined Monthly Balance down to the nearest whole multiple of \$1,000,000), plus an additional \$5 per every \$1,000,000.

Clients should be aware that Acorns is designed for individuals who make frequent recurring investments. The Fee Schedule may not be appropriate for individuals looking to make few or infrequent small-dollar investments.

The Subscription Fee is charged monthly and paid by a recurring monthly ACH debit and electronic funds transfer, that deducts money from the client's linked funding source.

Pursuant to the Acorns Program Agreement, if a linked funding source lacks sufficient funds to cover the full Subscription Fee, or a funding source has otherwise been disconnected, Acorns reserves the right to sell shares in the client's Acorns Accounts, to pay such Subscription Fee.

Clients are charged a single monthly wrap fee and all transaction costs are paid by Acorns from the proceeds of the collective Acorns Advisory Fees. The advisory and other services included in the Subscription Fee may exceed the costs of similar services purchased separately.

### **Additional Fees**

ETFs charge fees to pay for the expenses of managing the underlying ETF, in the form of an expense ratio. These fees typically cover the ETF's operating expenses, management fees, marketing costs, custodial fees, and other costs. These fees are separate and distinct from the Subscription Fees paid to Acorns for its Wrap Fee Program. The expense ratio of each ETF included in a portfolio is outlined in its respective ETF prospectus.

Although Acorns reserves the right to waive or reduce any Subscription Fees or Acorns Advisory Fees associated with an Acorns Account in its sole discretion, Acorns is unable to waive fees associated with the expense ratios of the ETFs comprising the portfolios. Acorns does not charge performance fees.

Certain additional fees may be charged to a client for specifically requested services or irregular occurrences (for example, manual rollovers, outgoing asset transfers, and in-kind withdrawals).

### **Compensation for Recommendations**

Acorns enters into arrangements with affiliate partners who, for compensation, refer prospective clients to Acorns. Each such arrangement is governed by a written agreement between Acorns and the affiliate partner and will be disclosed to the prospective client, as required by law. The terms for each affiliate partner are located on the affiliate partner's landing page.

Additionally, Acorns pays referral fees to existing clients in connection with client referrals of new clients (the "Referral Program"). For additional information on the Referral Program, please see Item 9 of the summary Referral Program Agreement, or the full agreement via the Acorns website: <https://www.acorns.com/referral-agreement/>. Acorns does not compensate salespersons or other advisors that refer prospective clients to Acorns, or enter into professional solicitation service agreements.

### **Brokerage Practices**

Acorns places all brokerage orders through its affiliated broker, Acorns Securities, to buy, rebalance, and sell, as necessary, to maintain the asset allocation of the portfolio that Acorns has selected for each Acorns Account based upon a client's investor profile; or, in cases where the client has decided to forgo Acorns' recommendation and select its own portfolio, the client's Custom Portfolio. By bundling brokerage services through Acorns Securities with advisory services through Acorns, Acorns believes it simplifies the investment process for its clients.

Acorns Securities provides trade confirmations and statements to Acorns clients. Acorns Securities utilizes RBC Capital Markets, LLC as custodian to hold clients' financial assets for safekeeping, and as a clearing broker to execute, clear, and settle ETF trades on an omnibus basis. In addition, Acorns Securities utilizes Drivewealth, LLC as custodian to hold clients' financial assets for safekeeping and as clearing broker to execute, clear, and settle non-ETF trades on an omnibus basis for Custom Portfolios. Acorns utilizes Forge Trust to serve as custodian and administrator of Acorns Later Accounts.

Since Acorns Securities serves as the broker for all Acorns Accounts, clients may benefit from savings on execution costs that would not be available without volume trading discounts or batched orders. Additionally, there are instances where aggregating orders may be the only means of creating an order that is in whole shares. However, conflicts of interest may exist with respect to aggregating orders of various client types, such as individuals, as well as aggregating client orders with orders for accounts advised by Acorns, in which Acorns, our employees and/or our principals have an economic interest. To mitigate any such conflicts of interest, clients participating in the aggregated order receive an average share price for Acorns transactions in said security. Acorns will aggregate transactions consistent with its duty to seek best execution and with the terms of the Acorns Program Agreement. Under no circumstances will an advisory client be favored over any other advisory client. Any request to obtain information on the average share price should be directed to (855) 739-2859 or via email at [support@acorns.com](mailto:support@acorns.com).

The firm does not engage in activities involving "soft dollars."

## **Item 5 – Account Requirements and Types of Clients**

Acorns provides investment advisory services to natural persons who are (i) legal U.S. residents, (ii) maintain and link a checking account or other verified funding source with a U.S. bank or financial institution to their Acorns Account, and (iii) pass Acorns' identity verification protocols. The beneficiary of each Acorns Early Invest Account must also be a U.S. resident with a valid social security number. There is no minimum account size. Most clients can begin investing with as little as five dollars (\$5) and continue investing five dollars (\$5) or more at a time into their Acorns account(s). Clients utilizing the Real-time "Round-Ups"<sup>®</sup> feature available through our third-party banking relationships may begin, and can continue, investing using fewer than five dollar (\$5) increments. Acorns Accounts cannot be held jointly, through a trust or funded by business checking accounts.

## **Item 6 – Portfolio Manager Selection and Evaluation**

### **Methods of Analysis, Investment Strategies and Risk of Loss**

Acorns acts as an investment adviser to all Acorns Accounts via the Acorns App and does not rely on external or individual portfolio managers to develop or manage its model portfolios. Clients provide detailed identity information, complete an investor profile questionnaire, and provide information on their risk tolerance when establishing their account(s), and are encouraged by Acorns to update such information on a periodic basis.

Acorns uses a proprietary computer software-based algorithm, developed and monitored by Acorns' personnel, to match each client's Acorns Account(s) to the portfolio best suited to the client's investment profile, to include but not limited to, their investment goals and objectives. In addition, the Investment Committee (the "Committee") of Acorns advises on investment modeling, portfolio construction, product selection, investment policies, and asset allocations of the portfolios that Acorns manages on behalf of its clients.<sup>5</sup>

Investing in securities involves risk of loss that clients should be prepared to bear, including loss of the entire amount invested by a client. Acorns does not and cannot guarantee any level of performance, or that any client will avoid losses in his or her Acorns Account(s). Clients should be aware that past performance is no guarantee of future results. When evaluating risk, financial loss may be viewed differently by each client and depends on various factors that may change over time. Clients should understand that investments in Acorns Accounts are subject to various market volatility, liquidity, asset-specific, sector-specific (e.g., interest rate risks), geopolitical, concentration-related, and other risks inherent in investing.

### **Performance-Based Fees and Side-By-Side Management**

Acorns does not charge performance-based fees. Clients are charged only the Subscription Fees described in Item 4.

### **Voting Client Securities**

Under the Acorns Program Agreement, Acorns does not have the authority to vote proxies on

---

<sup>5</sup> An affiliate of BlackRock, Inc. holds a minority share in the parent company of Acorns. Acorns Portfolios may include ETFs managed by BlackRock, Inc. In-depth review and comparison of costs and performance of all ETFs conducted by Acorns during the construction of its portfolios mitigates any potential conflict of interest in light of this relationship.

any client's behalf. Clients are responsible for receiving and voting any and all proxies for the securities held in their account(s). Acorns will forward proxy voting materials to clients with instructions on how to vote through a third-party vendor acting on behalf of Acorns and Acorns Securities.

### **Item 7 – Client Information Provided to Portfolio Managers**

Acorns acts as discretionary investment adviser to the Acorns Accounts. A client's initial portfolio selection is generated by Acorns' software based algorithm based upon suitability information provided by the client, including the client's age, other investments, financial situation, investment objectives, investment experience, investment time horizon, and risk tolerance. Acorns also collects information about the client's identity, liquidity, e-mail address, physical address, location, nationality, citizenship, tax residency, or other information supplied through the Acorns App. Clients agree to promptly update all information as necessary, to maintain its accuracy.

There are inherent limitations in Acorns' selection methodology, as the suitability factors evaluated by Acorns' algorithm do not address all relevant considerations when making investment suitability determinations. For example, the profile methodology does not take into account tax considerations or the cash flow needs of clients. A client can choose to override an algorithmic determination, in which case; the portfolio selected may not align with such client's investment goals or objectives. Acorns periodically reviews and evaluates model portfolio allocations, to ensure they are aligned, when a client makes updates to their investor profile. As a result, we recommend clients review and ensure their financial condition, risk tolerance and investment goals are kept current in their investor profile on the Acorns App.

### **Item 8 - Client Contact with Portfolio Managers**

Clients can contact Acorns via email at [support@acorns.com](mailto:support@acorns.com) or through the electronic chat feature at any time, or by phone during normal business hours. Access to investment advisory personnel is generally limited to normal business hours, and not all customer support personnel are licensed to provide account specific information. Acorns also maintains a website and encourages clients to review the FAQs available on the website and within the Acorns App, as access to such information is immediate.

### **Item 9 – Additional Information**

#### **Disciplinary Information**

To the best of our knowledge, Acorns and its management persons have not been subject to any material legal or disciplinary events.

#### **Other Financial Industry Activities and Affiliations**

Acorns is affiliated with Acorns Securities, LLC, a FINRA member and SEC-registered Broker Dealer in the United States.

#### **Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading**

##### **Code of Ethics**

The Acorns Code of Ethics (the "Code") reflects the Firm's high ethical standards and requires Acorns employees to exercise prudent judgment in the execution of their job responsibilities, to

always put client interests ahead of their own personal interests and the interests of Acorns, and to consider how their actions will reflect on themselves and Acorns. Pursuant to the Code, Acorns employees must comply with all securities laws and are encouraged to report any suspected violations of the Code to the Chief Compliance Officer (“CCO”) and Chief Executive Officer (“CEO”) immediately.

A copy of the Code will be provided to clients upon request by contacting Acorns at (855) 739-2858 or by emailing [support@acorns.com](mailto:support@acorns.com).

### **Personal Trading**

Acorns and individuals associated with Acorns (“Acorns Supervised Persons”) may buy or sell securities for their personal accounts in the same manner as, or different from those held by our clients.

Acorns’ Code is designed to mitigate material conflicts of interest associated with personal trading activities of Acorns Supervised Persons.

The Acorns Compliance Department monitors personal trading of Acorns Supervised Persons for compliance with IPO and Private Placement pre-clearance requirements, and more generally, to detect potentially abusive behavior.

### **Conflicts of Interest**

Managing conflicts of interest is an integral part of Acorns’ Compliance Program. Acorns believes no organization can completely eliminate conflicts that exist explicitly or implicitly. Acorns evaluates its business activities and conflicts (potential and actual) that emerge therefrom, on an ongoing basis. Business relationships that cause a conflict of interest may include, but are not limited to, those in which an Acorns Supervised Person:

- Holds a significant financial interest in a company that conducts business with Acorns;
- Is an immediate relative or close friend of someone who stands to directly profit from and/or who holds a financial interest in a company that conducts business with Acorns;
- Is involved in any personal or business relationship with a client that could directly affect the Acorns Supervised Person’s ability to, make an independent decision in the administration of the client’s business with Acorns; or
- Engages in business, volunteers, or personal work activities that affects their ability to prudently discharge professional Acorns obligations.

### **Trading in securities as Principal or in securities recommended to clients**

Acorns and its employees are authorized to engage in principal trades in securities, including those held by clients. To the extent necessary to resolve an unexpected issue involving a principal trade within a client’s account, Acorns Securities, via its clearing firms, will take the securities into the Acorns Securities omnibus account and liquidate the position.

### **Review of Accounts**

Acorns Account statements are provided to clients via the Acorns App monthly or quarterly, depending upon the activity in the account. Acorns personnel conduct a sample review of

accounts and statements monthly for purposes of monitoring for any unexpected issues.

Clients are encouraged to make Acorns aware of any changes to their financial situation, risk tolerance, investment objectives and investment goals by updating their investor profile within the Acorns App. These changes may result in a modification to the client's selected portfolio.

### **Client Referrals and Other Compensation**

Acorns maintains a referral program pursuant to which existing clients may be compensated for referring new clients. Referrers may not be employees, contractors, or agents of Acorns.<sup>6</sup> As part of the referral program, once the referring client and the referred client have met the eligibility criteria under the terms and conditions for the applicable referral promotion, Acorns will provide the client with reward shares in the dollar amount specified by the applicable promotion invested into the client's Invest Account. Terms and conditions vary by promotion. The referral program is governed by an agreement between the client and Acorns, which the client must re-execute on an annual basis.

### **Financial Information**

Acorns does not require or solicit prepayment of more than \$1,200 in fees per client, nor has it been the subject of a bankruptcy petition at any time.

---

<sup>6</sup> *In certain cases, employees, contractors, or agents of Acorns Grow and/or its affiliates may engage in promotional campaigns that include compensation based on the number of new Acorns clients attributable to those campaigns.*