

## Kingswood Capital Partners, LLC (“KCP”) and Kingswood Wealth Advisors (“KWA”) Form CRS (Client Relationship Summary) June 5, 2020

KCP and KWA (collective, “Kingswood”, “we”, “us”), affiliated entities, are registered with the Securities and Exchange Commission (SEC) as both a broker-dealer and an investment adviser, respectively. KCP is a member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investor Protection Corporation (SIPC). Brokerage and investment advisory services and fees differ and it is important for you to understand these differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](http://Investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

### What investment services and advice can you provide me?

We provide both brokerage and investment advisory services to clients. We’ve summarized below the main types of services that we offer and their key features:

<b>BROKERAGE (COMMISSION-BASED)</b>	<b>INVESTMENT ADVISORY (FEE-BASED)</b>
<p>As a broker-dealer, our primary service is buying and selling securities for your account. The brokerage programs we offer include:</p> <ul style="list-style-type: none"> <li>• <b>Full-Service-</b> Accounts in this program are non-discretionary with an assigned Financial Professional who can offer recommendations to buy or sell securities but you must approve each transaction prior to execution.</li> <li>• <b>Self-Directed-</b> When a KCP representative is no longer assigned to a Full-Service account, we provide options that may include converting to a Self-Directed account. In this account, you control the buying or selling of securities. KCP’s role is to execute the trades you request.</li> </ul> <p><u>Account Monitoring:</u> We do not agree to provide account monitoring services for your brokerage accounts. Your financial professional may voluntarily review holdings in your brokerage accounts from time to time and may or may not make recommendations to you based on these reviews. These voluntary account reviews are not an account monitoring service.</p> <p><u>Account Minimums:</u> Other than limited exceptions related to particular product types, we generally do not require a minimum account size to open a brokerage account.</p> <p><u>Limited Investment Offerings:</u> We offer and make recommendations on non-proprietary products. We do not offer or make recommendations on all products of any particular type; for example, we do not offer or make recommendations on all mutual funds, or make available all share classes of the offered mutual funds.</p>	<p>As an investment adviser, we offer advisory, planning and consulting services including:</p> <ul style="list-style-type: none"> <li>• <b>Independent Advisory Programs-</b> Accounts in this program may be:                             <ul style="list-style-type: none"> <li>○ Discretionary – Your financial professional makes investment decisions to buy, sell or hold securities in your account.</li> <li>○ Non-discretionary— Your financial professional offers advice and recommendations to buy, sell or hold securities but you make the final investment decisions.</li> </ul> </li> <li>• <b>Portfolio management programs –</b> We or another firm, manage investments in your account. All firm managed programs are discretionary.</li> <li>• <b>Financial Planning –</b> Your financial professional helps you develop a detailed strategy or financial plan intended to achieve your financial objectives.</li> <li>• <b>Investment Consulting –</b> Your adviser offers advice on investments held at or outside of KWA.</li> </ul> <p><u>Account Monitoring:</u> We and your financial professional monitor advisory accounts from time to time consistent with your advisory relationship with us and type of your advisory account.</p> <p><u>Account Minimums:</u> We do not have a minimum account size, but we charge a minimum account fee of \$20 per quarter for accounts under \$100,000.</p> <p><u>Limited Investment Offerings:</u> We provide advice on non-proprietary products. Depending on your choice of account type, strategy and model, you may receive advice with respect to a broad range of investments, or you may receive advice regarding a limited range of investments. For example, we do not make all mutual funds available for use in advisory programs and generally limit the offered mutual funds to load-waived or no-load funds.</p>

For additional information about brokerage and investment advisory services, please see [www.kingswoodus.com/disclosures](http://www.kingswoodus.com/disclosures)

**CONVERSATION STARTERS:**

- Given my financial situation, should I choose an investment advisory service? Should I choose a brokerage service? Should I choose both types of services? 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?

## What fees will I pay?

**BROKERAGE (COMMISSION-BASED)**

In a brokerage account, you will incur transaction charges when you buy or sell securities, including: commissions; markups and markdowns (analogous to commissions in a principal transaction); upfront or ongoing fees that you pay to a mutual fund or other product issuer, a portion of which is paid to us in connection with your transaction; and handling and processing fees on each securities transaction.

*Transaction charges differ from one product to another which creates an incentive for your financial professional (“FP”) to recommend products that have higher transaction charges. You will incur greater total transaction charges when there are more trades in your account, which creates an incentive for us to encourage you to trade more often.*

Depending upon your account and relationship, you may also incur periodic account maintenance or IRA custodial fees, as well as processing, service, and account fees upon certain events or occurrences. You will incur interest charges if you borrow on margin or draw down on a securities-based loan in any of your accounts. We share in some of these fees, including transaction and confirmation fees, and fees paid on cash balances. Please see our “Reg BI Disclosures” on our website for more information.

Certain investments, such as mutual funds, have embedded fees that are generally paid by you to the companies that sponsor, manage, and/or promote the investment. *You will be provided with a prospectus that discloses and explains these fees.*

**INVESTMENT ADVISORY (FEE-BASED)**

In an investment advisory account, you will incur advisory fees which are generally assessed monthly or quarterly, in advance or arrears. You may also pay hourly or fixed fees. The fee you pay is charged at the rate you agreed upon with your FP (based on our published fee schedule). Fees may be negotiable.

Asset-based fees are based on a percentage of the value of the assets in your account. The asset-based fee does not include commissions and other charges for trades that a third-party manager directs to another broker-dealer. In addition, it does not include underlying product-related fees and operating expenses for investment products and other charges. Non-wrap accounts incur per transaction fees as listed on trade confirmations. Wrap accounts charge one inclusive fee, generally higher than the fee in advisory accounts.

*Because we and your FP are compensated based on the amount of assets in your account, we and your financial professional are incentivized to grow your assets. Regardless of our capacity as broker or adviser, there is a conflict of interest in the manner we are paid and we encourage you to carefully review all costs.*

During periods of lower trading activity, the advisory fee may be higher than the transaction charges you would have paid in a brokerage account. We encourage you to carefully analyze the projected costs of an IA account versus a brokerage account based on factors such as expected size, volume and frequency of transactions, projected holding period and the advisory services provided by your FP.

**You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.**

**For additional information about our fees and charges, please see [www.kingswoodus.com/disclosures](http://www.kingswoodus.com/disclosures).**

**CONVERSATION STARTERS:** Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go towards fees and costs, and how much will be invested for me?

### What are your legal obligations to me when providing recommendations as my broker-dealer or when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?

When we provide you with a recommendation as a broker-dealer or act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask about these conflicts because they can affect the recommendations and investment advice provided to you. Here are some examples to help you understand what this means.

**Third-Party Services/Compensation**— We receive cash and non-cash economic benefits from our clearing firm and product sponsors. For example, mutual funds charge 12b.1 fees, and other servicing fees; clearing firms charge margin interest, ticket charges and servicing fees. A portion of these fees are shared with us directly and we consider the relationship profits as benefits to the firm, influencing our selection of products and the clearing firm. We use such services/compensation in part to support activities related to servicing client accounts, to provide ongoing product support for certain investments and to provide assistance with conferences and educational meetings for financial professionals. *We have an incentive to promote the products/platforms that have the most potential for services/compensation over those that share less or none at all.*

**Cash Equivalent or Money Market Funds**- Our clearing firm pays us a percentage of cash balances in your account that is higher or lower depending on the money market funds as well as other incentives. This conflict of interest is incentive for us to select money market funds for you that pay us a higher percentage and direct assets to our clearing firm where incentives are received.

This summary does not identify all of our conflicts of interest, or all material facts about the conflicts of interest listed. **For additional information about these and other conflicts of interest, please see [www.kingswoodus.com/disclosures](http://www.kingswoodus.com/disclosures) or review our Form ADV, found at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

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

## How do your financial professionals make money?

- Financial professionals are compensated as a percentage of the revenue sources described below:
  - Commissions, markups and markdowns earned in brokerage accounts, which vary by product.
  - Ongoing fees including deferred compensation from mutual fund and certain other product issuers.
  - Advisory fees which are generally assessed quarterly at the rate you agreed upon with your financial professional (based on our published fee schedule).
  - Hourly or fixed rate fees for financial planning or other services.
  - Fees related to other products and services provided to you.

The percentage of revenue that your financial professional receives will generally increase as total revenue earned from their client account(s) increases. As a broker, because we are compensated for transactions, we have an incentive to encourage you to trade more frequently and in greater amounts. As an investment adviser, we are compensated by the value of the assets in your account, regardless of the number of transactions. For this reason, an actively traded account may be less expensive to you as an advisory account; an account with less transaction activity may be less expensive if you choose a brokerage account.

*Because financial professionals are incentivized to increase revenues on your and other clients' accounts you should carefully consider whether a brokerage account or an advisory account is right for you.*

## Do you or your financial professionals have legal or disciplinary history?

- Yes. Visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research us and the financial professionals.

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

## Additional Information

This Form CRS is a summary, as required by SEC rules, as part of discussions that may encompass a variety of accounts and account types.

Statements in this Form CRS requiring that we act in your best interest when making brokerage recommendations reflect our obligation under the SEC's Regulation Best Interest. Please consider this summary, and the more detailed information we will provide you, as part of these discussions.

The information in this Form CRS is subject to the more complete terms and conditions of our brokerage or investment advisory agreements and disclosures (including Form ADV Part 2A, 2B and our Wrap Fee Brochure (Appendix 1) when we act as investment adviser).

For additional information about our services, please visit [www.kingswoodus.com/disclosures](http://www.kingswoodus.com/disclosures). If you would like additional information or a copy of this Client Relationship Summary, please call your financial professional or our Compliance Department at 858-376-3140.

**CONVERSATION STARTERS:** Who is my primary contact person? Is he or she 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?