

**Item 1: Introduction**

Brokerage and investment management services and fees differ, it is important for the retail investor to understand the differences. Free and simple tools are available to research firms and financial professionals at Investor.gov/CRS, which provides educational materials about broker-dealers, investment advisers, and investing.

**Which Type of Account is Right for You—Brokerage, Investment Advisory or Both?**

There are different ways you can get help with your investments. You should carefully consider which types of accounts and services are right for you. Depending on your needs and investment objectives, we can provide you with services in a brokerage account, investment advisory account, or both at the same time. This document gives you a summary of the types of services we provide and how you pay. Please ask us for more information.

**Item 2: Relationship and Services**

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

**We are a Broker-Dealer and State Registered Investment Adviser and we offer both brokerage and investment advisory services to you.** However, not all of our registered representatives are able to offer you investment advisory services. Please discuss this with your representative.

Broker-Dealer Services – Brokerage Account	Investment Adviser Services – Advisory Account
If you open a brokerage account, you will pay us a <b>transaction-based fee</b> , generally referred to as a commission, every time you buy or sell an investment.	If you sign an investment management agreement (managed account), you will pay us a <b>quarterly management fee in advance</b> , based upon an agreed annual percentage rate, generally referred to as a fee.
If you open a brokerage account, you may select investments, or we may recommend investments for your account, but the ultimate investment decision as to your investment strategy and the purchase or sale of investments will be yours.  Unlike an advisory account, a brokerage account is not monitored on an ongoing basis.	If you sign an investment management agreement, we have two types of accounts for which we provide regular monitoring, discretionary and non-discretionary. Discretionary means that we will make all the investment decisions deemed to be in your best interest without obtaining your permission prior to trading. Non-discretionary means we will make recommendations deemed to be in your best interest, however, you will have final say and we will not place any trades without your express permission.
	We will offer you advice on a regular basis. We will discuss your investment goals and design a strategy to help achieve your investment goals, and regularly monitor your account. We will contact you (by phone or e-mail) at least annually to discuss your portfolio.
Our investment recommendations will cover a limited	Our investment advice will cover a limited selection

selection of investments. Those investments include stocks, options, exchange traded funds and mutual funds. Other firms could provide a wider range of choices, some of which might have lower costs.	of investments. Those investments include stocks, options, exchange traded funds and mutual funds. Other firms could provide advice on a wider range of choices, some of which might have lower costs.
No account minimums.	In general, the minimum account size for investment advisory services is \$250,000. However, advisory fees and minimum account sizes are negotiable under certain circumstances.
<b>Our Obligations to You - We must abide by certain laws and regulations in our interactions with you.</b>	
We must act in your best interest and not place our interests ahead of yours when we recommend an investment or an investment strategy involving securities. When we provide any service to you, we must treat you fairly and comply with a number of specific obligations. Unless we agree otherwise, we are not required to monitor your portfolio or investments on an ongoing basis.	As a registered investment advisor, we are held to a fiduciary standard that covers our entire investment advisory relationship with you. This standard requires the firm and representatives to put your interests above ours and consists of a duty of loyalty and care. For example, we are required to monitor your portfolio, investment strategy, and investments on an ongoing basis.
Our interests can conflict with your interests. When we provide recommendations, we must eliminate these conflicts or tell you about them and, in some cases, reduce them.	Our interests can conflict with your interests. We must eliminate these conflicts or tell you about them in a way you can understand, so that you can decide whether or not to agree to them.

Our services for all offerings typically involve one or more meetings with one or more financial representatives of the firm. During the consultations the representative(s) will discuss your financial circumstances, investment goals and objectives, and determine your risk tolerance. Based on the information obtained during the consultation(s), the representative(s) will formulate a strategy to help achieve your investment goals.

- 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?

### **ITEM 3: FEES, COSTS, CONFLICTS, AND STANDARD OF CONDUCT**

#### **What fees will I pay?**

##### **Advisory Fees**

As an investment advisory client, you will pay a quarterly management fee and no transaction-based commissions. For our advisory services, our annual fees are no higher than 1.25%. The quarterly formula is based upon your account's market value at the end of the preceding quarterly and calculated by multiplying by your annual fee then dividing it by 365 days and finally multiplying that figure by the number of days in a quarter. Our fees vary

and are negotiable. An asset-based fee may cost more than a transaction-based fee, but you may prefer an asset-based fee if you want continuing advice or want someone to make investment decisions for you.

### Brokerage Account Fees

The commission you pay for a brokerage account is based on the specific transaction and not the value of your account. The more transactions in your account, the more fees we charge you. We therefore have an incentive to encourage you to engage in transactions. With stocks or exchange-traded funds, this fee is usually a separate commission. With mutual funds, this fee (typically called a “load”) reduces the value of your investment.

From a cost perspective, you may prefer a transaction-based fee if you do not trade often or if you plan to buy and hold investments for longer periods of time. The amount you pay will depend, for example, on how much you buy or sell, what type of investment you buy or sell, and what kind of account you have with us.

### Brokerage Account Commissions vs. Asset Management Fee

<i>a transaction-based fee</i> from a cost perspective, if you do not trade often or if you plan to buy and hold investments for longer periods of time.	<i>an asset-based fee</i> if you want continuing advice or want someone to make investment decisions for you, even though it may cost more than a transaction-based fee.
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### Other Fees

Regardless of whether you select an advisory account or a brokerage account you will incur other fees. Some investments such as mutual funds impose additional fees that will reduce the value of your investment over time. We pass additional charges, from our Clearing Firm, on to you such as custodian fees, account maintenance fees, and account inactivity fees.

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 cost you are paying.

- 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?

### Conflicts of Interest

#### **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 your 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 us about these conflicts because they can affect the recommendations and investment advice, we provide you. Here are some examples to help you understand what this means.

- We can make extra money by advising you to invest in certain investments because third parties

compensate us when we recommend or sell investments. This would include mutual funds where we receive 12b-1 fees that are paid to us from the mutual fund company.

- We can make extra money when a third party (such as an intermediary) shares revenue it earns on those investments such as money markets.
- How might your conflicts of interest affect me, and how will you address them?

## **How do your financial professionals make money?**

### **Financial Professionals Compensation**

Registered representatives of our broker-dealer receive a commission every time you buy or sell an investment. Each representative has a commission schedule. Please ask your representative to discuss, in detail, their commission schedule.

Investment advisor representatives of our Adviser receive a quarterly fee based upon your account's market value. The fee will increase as your account value increases and decreases if your account value decreases. So, the firm may therefore have incentive to encourage a client to increase their assets. Managed accounts are not charged any commissions, so the investment advisor representative only receives the quarterly fee.

## **ITEM 4: DISCIPLINARY HISTORY**

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

No. Visit [Investor.gov](http://Investor.gov) for a free and simple search tool to research our firm and our financial professionals.

- As a financial professional, do you have any disciplinary history? For what type of conduct?

## **ITEM 5 – ADDITIONAL INFORMATION**

Additional information can be found on our website, [www.ChurchillFinancial.com](http://www.ChurchillFinancial.com). A copy of this form will be posted to our website and is available upon request by calling 502-895-3535 or 888-419-6558.

We also encourage you to seek additional information.

- For additional information about our brokers and services, visit [Investor.gov](http://Investor.gov), [BrokerCheck at BrokerCheck.Finra.org](http://BrokerCheck.Finra.org), or our web site [www.ChurchillFinancial.com](http://www.ChurchillFinancial.com).
- To report a problem to the SEC, visit [Investor.gov](http://Investor.gov) or call the SEC's toll-free investor assistance line at (800) 732-0330. To report a problem to FINRA, <https://www.finra.org/investors/file-complaint>. If you have a problem with your investments, account or financial professional, need additional information or to request a copy of this form, please contact Alesia Mullis at 502-895-3535 or toll free at 888-419-6558.
- 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?