

**Introduction**

Cary Street Partners is the trade name used by Cary Street Partners LLC (CSP) – broker-dealer and Member FINRA/SIPC; Cary Street Partners Investment Advisory LLC (CSPIA) and Cary Street Partners Asset Management LLC (CSPAM), registered investment advisers with the Securities and Exchange Commission (SEC). Fees assessed for investment advisory services differ from brokerage fees. 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](https://www.investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

You can find more information on CSPAM (or the “Firm”) and its services on the [CSPAM Form ADV Part 2 Brochure](#).

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

CSPAM provides third party asset management for clients of other investment advisors (“Advisors”) through advisory programs (“Programs”) at various custodians on a discretionary basis. Discretionary means that CSPAM has the ability, to purchase, sell, or otherwise effect investment transactions without prior consent or consultation from you or your Advisor. In addition, CSPAM provides sub-advisory investment management services to clients of affiliated and unaffiliated Investment Advisors (“Advisors”) who have engaged with CSPAM. Third-party Advisors may have minimum asset size requirements in order to service accounts. See other services below:

- In limited circumstances, we provide our services directly to retail clients, but generally all services are provided through the Advisors, who then interact with the clients. You will work with your Advisor who will obtain financial and suitability profile information from you. Your Advisor will then determine the appropriate investment strategy and select the appropriate portfolio.
- We also serve as the Portfolio Manager for various wrap-fee programs. A wrap-fee program charges fees that are inclusive of commissions, custodial, and management fees. Given that wrap free programs include most transactional costs and fees of a broker-dealer or bank that has custody of the assets, wrap fees are higher than the typical asset-based advisory fee.
- CSPAM is an Adviser to the Fairlead Tactical Sector ETF (“TACK”). This is a diversified, actively managed exchange-traded fund (“ETF”). For more information on potential conflicts of interest, see the conflicts of interest section below.
- We regularly monitor the investments in your account and perform at least quarterly reviews of account holdings for you. Your account is reviewed for consistency with the model portfolio’s investment strategy and objectives, compliance with investment restrictions provided by the client (if applicable), asset allocation, style drift, cash flows, investment selection, risk tolerance and performance relative to the appropriate benchmark.

For additional information, please review the [CSPAM Form ADV Part 2 Brochure](#).

**Conversation Starters - ask your financial professional:**

- Given my financial situation, should I choose an investment advisory 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?

**What fees will I pay?**

CSPAM charges clients either an investment management fee based upon a percentage of the market value of the assets being managed by CSPAM or a flat fee for investment consulting services. The annual investment management fee rate charged will vary depending upon the market value of the assets under management and the specific type of service being provided.

Investment management and investment consulting services fees are negotiable, subject to volume discounts, and may be modified on a case-by-case basis. Fees are usually payable at the beginning of each quarter, commonly referred to as “in advance,” and deducted directly from the client’s account. CSPAM uses the value of each account on the last day of the previous quarter to calculate the quarterly fee.

For more detailed information about your fees and costs please see [CSPAM Form ADV Part 2 Brochure](#) and/or the fee schedule on your Investment Advisory Agreement.

**Other Fees and Costs**

Your primary Advisor may charge investment management fees that are different from other Advisors that use the services of CSPAM. Variations in Advisor compensation may be due to the level of services the Advisor provides to the client. Such arrangement, and the terms and conditions thereof, are determined between the client and their primary Advisor.

If you are a direct retail client of CSPAM, and depending on the type of account and services provided, you could be subject to the following additional fees:

- Custodian Fees (e.g., Account Fees)
- Asset Movement Fees (e.g., fees for NSF, returned checks, wire transfers, securities transfers, etc.)
- Transactional and product-related fees (e.g., fees for mutual funds, variable annuities, etc.)

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.

**Conversation Starters - ask your financial professional:**

- 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?

**What are your legal obligations to me when acting as my investment adviser? How else does your Firm make money and what conflicts of interest do you have?**

When we act as your investment adviser, we have to act in your best interest and will 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 investment advice we provide you. Here are some examples to help you understand what this means.

- In the case of flat fees or asset-based fees, the Advisor may not be incentivized to trade in the account since their fees are not generated by the frequency of transactions in the account (i.e., reverse churning).
- In the case of asset-based fees, Advisors make more money when there is an increase of the assets in the account. Therefore, Advisors have an incentive to recommend increasing the assets in account(s) they manage.
- In cases where Advisors are attending or participating in conferences/workshops sponsored and paid for by an entity/individual that has a business relationship with the Firm or its clients, those Advisors are more likely to recommend that entity/individual's product.
- CSPAM is the Adviser of the TACK ETF, a proprietary product of the Firm, and therefore affiliated Advisors have an incentive to recommend its purchase as the Firm makes additional money from its fees.
- Advisors often have agreements with third parties that help them make money. An example is when an Advisor has an agreement with a third-party to receive compensation whenever they sell that third parties' product. Advisors can also make money when a third-party shares their product's revenue with an Advisor, giving that Advisor an incentive to recommend or sell that product.

**Statement on ERISA covered accounts or assets**

When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act ("ERISA") and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours. Under this special rule's provisions, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put our financial interests ahead of yours when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.

For additional information, please review the [CSPAM Form ADV Part 2 Brochure](#).

**Conversation Starters - ask your financial professional:**

- How might your conflicts of interest affect me, and how will you address them?

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

Our financial professionals make money from the fees charged for their services (whether that be quarterly, annually, or for a flat fee). The amount of the fee, when not flat, fluctuates based on the performance of the strategy and the amount of assets under management. See other examples below:

- Although CSPAM strives for a neutral compensation structure, we are compensated based on factors such as: the amount of client assets we service, the time and complexity required to meet your needs, and the type of products sold.
- Cash Sweep Program (the "Sweep Program"), uninvested cash balances - for which no interest is otherwise earned or paid - in your account are automatically swept into interest-bearing deposit accounts ("Bank Deposit Sweep") or, if available, money market mutual funds ("Money Market Funds") or such other sweep arrangements made available to you (collectively "Cash Sweep Vehicles"), until these balances are invested by you or otherwise needed to satisfy obligations arising in connection with your account.
- In some cases, CSPAM receives fees for services provided in connection with the Sweep Program, and we may choose to make available the Cash Sweep Vehicles that are more profitable to us than other money market mutual funds or bank deposit accounts. A portion of these fees may be paid to your Advisor.
- CSPAM and your Advisor will enter into joint marketing activities with investment managers, sub-advisers, mutual fund sponsors, and vendors. These entities sometimes pay a portion, or all, of the cost of the activities, which payment at times takes the form of reimbursement to CSPAM and the Advisor.
- CSPAM will enter into arrangements with other investment advisers to provide certain services to clients of the investment adviser in exchange for a portion of the investment advisory fee.

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

No, CSPAM does not have any disclosable or reportable matters.

Visit [Investor.gov/CRS](https://investor.gov/CRS) a free and simple search tool to research you and your financial professionals.

**Conversation Starters - ask your financial professional:**

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

**Where can I find additional information?**

You can always contact your Advisor directly or their office location for additional information. You can also call the Firm's main telephone number, 804.340.8100 to obtain a copy of this relationship summary, or visit our website at <https://carystreetpartners.com/form-crs-brochure/>.