



## Ashford Securities LLC Form CRS Customer Relationship Summary

Effective March 6, 2024

### I. Introduction

Ashford Securities LLC ("the Firm", "ASEC", "we," "our," or "us") is a broker-dealer registered with the Securities and Exchange Commission (SEC") (SEC#: 8-70405) and is a member of the Financial Industry Regulatory Authority, Inc. ("FINRA") (CRD#: 305330) and the Securities Investor Protection Corporation ("SIPC"). Ashford Inc. ("Ashford") is the parent company of the firm. We are currently licensed to sell securities in 52 U.S. states and territories. Brokerage and investment advisory services and fees differ materially between the Firm and other retail broker-dealer firms. 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](https://investor.gov/CRS), [FINRA BrokerCheck](https://finra.org/brokercheck) which also provides educational materials about broker-dealers, investment advisers, and investing.

### II. What Investment Services and Advice Can You Provide Me?

ASEC is a limited purpose broker-dealer which primarily operates as a wholesaler of investment products sponsored by our Ashford or its affiliates. We are **not** a full-service broker-dealer and we do not offer standard brokerage services to retail investors nor provide advice to investors. The firm is currently approved to offer on a "best efforts" basis only a limited number of investments in non-listed securities (including preferred stock) of traded real estate investment trusts ("REITs") and non-traded REITs, direct participation programs, including business development companies (BDCs), and private placements (the "Funds"), which are sponsored by Ashford or its affiliates.

- We are not an investment adviser and do not give investment advice.
- The firm does not offer standard brokerage services, does not hold or safekeep customer funds or customer securities.

As a courtesy, the firm may offer account administrative services (at no charge) for Ashford sponsored investment programs to Ashford Employees, Friends and Family (affiliated associates, immediate family members, business associates and/or close personal friends). This type of unsolicited account for Ashford employees, friends and family are referred to as an Accommodation Account. The "Accommodation Account" allows the eligible Employees, Friends and Family the ability to initiate a request to open an account and directly invest in products the firm wholesales, net of customary sales commissions and dealer fees. The Accommodation Account holders' transactions are **not** solicited, and all purchases and redemptions are self-directed by the account holder. ASEC and its associated persons do not provide investment recommendations of any securities or strategy including account recommendations. ASEC does not advise account holders either at the time of investment, nor during the time in which the investment is held by the investor.

Although we will ask about your income, other assets and investments as part of our compliance obligations, we are not making any recommendations nor preparing a financial plan for you. Investment choices are solely limited to the offerings that are approved, available and chosen by our management team.

We will not exercise investment authority over your investment funds, and you make the ultimate decision as to whether to invest in the Funds. We will not provide investment monitoring or any ongoing account maintenance. We do not carry accounts and thus there are no account minimums; however, each specific Fund may include a minimum investment amount specific to that offering.

#### ***Conversation Starter. Ask your financial professional:***

- *Given my financial situation, should I choose a brokerage 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?*

### III. What Fees Will I Pay Ashford Securities as an accommodation account holder?

- Commission: \$0
- Account Administration: \$0

Ashford Securities does not charge Accommodation account holders any sales commissions, account administration or dealer fees to participate in an investment program. However, each investment program will deduct investor fees and expenses at the portfolio/product level, and those fees are detailed in the investment offerings prospectus or PPM. Please see the section below titled "How does your firm make money and what conflicts of interest do you have?" for additional details.

*You will pay fees and costs at the program/product level whether you make or lose money on your investments. These 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 Starter. 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 Providing Recommendations? How Else Does Your Firm Make Money and What Conflicts of Interest Do You Have?**

ASEC does not provide investment recommendations and/or advice. Investment advice is not within the scope of our business model. For investment strategies, recommendations, and advice, please speak with your personal financial professional to determine if this investment is appropriate for your overall strategy. If in the future the firm's business model changes and we provide investment recommendations, we must act in your best interest and not put our interest ahead of yours.

The investment funds' sponsor and its affiliates can continue to organize and manage offerings in the future that may be similar to the Fund/Product you have chosen to invest in. The future Funds may compete with the Fund you invested in for business opportunities, such as what properties are acquired by each Fund, and the time that management devotes to the Fund's activities. Our affiliates may receive compensation from a Fund's activities, including fees paid from such Fund for services provided to the Fund, regardless of the Fund's success and whether you lose or make money. Thus, our employees may indirectly receive revenue from the Fund(s) or Adviser(s) through the payment of direct and indirect compensation, such as salaries and benefits, whether these employees sell the Funds or not.

*Conflicts from How We Make Money.* Ashford Securities operates as a wholesaling broker dealer and does not receive direct compensation when you purchase shares of an Ashford investment program through your Accommodation Account. Also, we may make money by providing services to the Fund or its affiliates, including for example administrative and other services. Further, there may be revenue sharing where the sponsor of a Fund shares a portion of its revenues with us. The provision of these other services and arrangements could create a conflict of interest with acting in your best interest.

*Independent Representation in Indemnification Proceeding.* Counsel represents us and may also represent the Funds. However, in the event of an indemnification proceeding or lawsuit between us and you as a subscriber, we may cause the Fund to retain separate and independent counsel to represent the Fund in such proceeding.

**Conversation Starter. Ask your financial professional:** *As a financial professional, how might your conflicts of interest affect me and how will you address them?* For additional information, please see the applicable offering document for a discussion of its conflicts of interest.

#### **How Do Your Financial Professionals Make Money?**

Our financial professionals do not receive compensation from accommodation accounts. Separate from the Accommodation Accounts, ASEC wholesalers are paid a commission based upon the number of shares purchased in the investment programs offered by the firm. These sales to investors occur through non-affiliated third-party selling syndicate members, otherwise known as an introducing broker dealer or RIA.

#### **IV. Do Your Financial Professionals Have Legal or Disciplinary History?**

No, neither we nor our financial professionals have a legal or disciplinary history. Free and simple tools are available to research us and our financial professionals at [Investor.gov/CRS](https://investor.gov/CRS).

**Conversation Starter. Ask your financial professional:** *As a financial professional, do you have any disciplinary history? If so, for what type of conduct?*

#### **V. Additional Information**

For additional information about our services, visit our website at <https://www.ashfordsecurities.com>. If you would like additional, up-to-date information about our services or to request a copy of this relationship summary, please call (888) 490-4292.

**Conversation Starter. Ask your financial professional:** *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?*