

Cornerstone Alternatives

Client Relationship Summary – March 2024

Cornerstone Alternatives (“Cornerstone”) is an investment adviser registered with the U.S. Securities and Exchange Commission. Investment advisory and brokerage services and fees differ; therefore, it is important for you 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 investment advisers, broker-dealers, and investing.

What investment services and advice can you provide me?

We offer asset management services to retail investors. Asset management services include portfolio management and investment recommendations by Cornerstone. As part of our standard services, we monitor clients’ portfolio holdings and the overall asset allocation strategy on an annual basis, or when market conditions or other triggers would warrant a review. Triggers include changes in a client’s circumstances or significant changes in the securities markets or economic environment.

We offer our asset management services on a non-discretionary basis. With non-discretionary asset management, we provide investment recommendations but require your approval before placing trades for your account. You make the ultimate decision regarding the purchase or sale of investments and in some cases will be responsible for implementing trades, which we can assist with. Our level of authority is determined at the beginning of our relationship with you in our advisory agreement but can be changed upon request.

We primarily recommend investments in private placements, but after reviewing your overall investment portfolio may also identify investments in a wide array of other types of securities to meet your investment objectives. Generally, investors in private placements must be “accredited investors.” Cornerstone requires that its clients be accredited investors in most private placements but may at times accept non-accredited investors where permitted by Rule 506. We do not have any minimum requirements for opening or maintaining accounts.

For additional information, please see our Form ADV Part 2A (with special emphasis on Items 4, 7, and 16), which can be obtained by calling us at (315) 416-3384.

Conversation Starters – Ask Your Financial Professional:

Given my financial situation, should I choose investment advisory 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?

Principal Fees: We are compensated for providing the investment advisory services by charging an ongoing asset-based fee of up to 1.0% per annum. Fees are billed quarterly in arrears, based on the value of private placement assets in your account on the last business day of the quarter and are negotiable. Although you may have other investable assets and securities in your account, Cornerstone will only charge the advisory fee on that portion of the account that is invested in securities that require a RIA to invest (including private placement securities recommended by Cornerstone, existing private placement securities already held by you, and investments in private placements you request on an unsolicited basis). With the asset-based fee, the more assets there are in your advisory account, the more you will pay in fees, and we may therefore have an incentive to encourage you to increase the assets in your account. Cornerstone will charge a clerical fee of up to \$250 per instance to assist you with any account opening paperwork or other paperwork related to an application for inclusion in a private placement offering. We will also charge a clerical fee of up to \$100 per instance to assist you in obtaining an accreditation certificate.

Other Fees and Costs: Cornerstone’s fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses, which shall be incurred by the client. You may incur certain charges imposed by custodians, brokers, custodial fees, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds, exchange traded funds, and limited partnerships also charge internal management and other fees, which are disclosed in the fund managers’ and limited partnerships’ prospectuses, offering memoranda, or other documents. All fees paid to us for investment advisory services are separate and distinct from the fees and expenses charged by such partnerships and funds to their investors and shareholders.

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Additional Information: You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce the amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. **More detailed information about our fees and costs are included in our Form ADV Part 2A (Item 5).**

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 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 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 is an example to help you understand what this means.

Cornerstone may, on occasion, recommend investments in products that it or its related persons have some financial interest. Cornerstone or its related persons may receive additional compensation or other financial benefit based upon their ownership or financial interest in the investment product. This creates a conflict of interest that we mitigate by disclosing all fees and costs the client will pay and the relationships between Cornerstone, related persons, and the investment product, and by maintaining a Code of Ethics and compliance program that sets forth a standard of conduct that must be adhered to by all Cornerstone personnel. **These arrangements and additional information about other conflicts of interest are discussed in more detail in our Form ADV Part 2A (Item 11).**

Conversation Starter – 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 IARs are compensated through the receipt of a portion of revenue we receive for the advisory services we provide. The portion paid to your IAR generally does not vary based on the type of investments that are recommended.

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

No. We invite you to visit Investor.gov/CRS for a free and simple search tool to research our Firm and financial professionals.

Conversation Starter – Ask Your Financial Professional:

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

We encourage you to seek out additional information about our investment advisory services in our Form ADV Brochure on Investor.gov or adviserinfo.sec.gov (CRD# 330043). Alternatively, you can call us at (315) 416-3384 to speak with us directly, to request up-to-date information, and request a copy of the relationship summary.

Conversation Starters – 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?