

June 27, 2023

SONENSHINE & COMPANY LLC (the "Firm")**Form CRS Relationship Summary for Retail Investors Investing in Opportunities Represented by the Firm**

Item 1: Introduction: The Firm is a broker-dealer registered with the United States Securities and Exchange Commission (SEC), and is a member of both the Financial Industry Regulatory Authority (FINRA) and the Securities Investor Protection Corporation (SIPC). The Firm is a wholly-owned subsidiary of Sonenshine Partners LLC, which advises companies and large institutions on corporate mergers and acquisitions, restructurings, and corporate finance transactions. The Firm is not an investment adviser. It is important for you, as a retail investor, to understand that brokerage services and fees differ from those provided by investment advisers.

The Firm is located at 505 Park Avenue, Third Floor, New York NY 10022, and its main phone number is +1-212-994-3330.

Free and simple tools are available to research firms and financial professionals at Investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisers, and investing.

Item 2: Relationship and Services***What Investment Services and Advice Can You Provide to Me?***

Description of Services: The Firm offers brokerage and corporate finance services, including assisting with private placements of securities, on behalf of companies that retain and pay us to advise and assist them in raising capital. Most such securities are placed with corporate or institutional investors, but some may be placed with high-net-worth individuals or family offices if they comply with Regulation D including its minimum income or net worth requirements. Our client (the "Client" or the "Company") is the company issuing securities and our fees are paid by the Client, not the retail investor, although as discussed below, any fees paid by the Client will reduce the cash the Client retains from the investment.

Private placements of securities may have minimum investment requirements such as \$100,000 or more, or less.

We do **not** manage money for any party, act as investment advisers or wealth managers, hold investment discretion over any retail or institutional investor funds, manage investment or brokerage accounts for retail or other investors, take custody of any investor funds, or monitor investments for retail or other investors.

We occasionally recommend securities to retail investors in connection with a private placement mandate we have been retained and compensated to handle for a corporate or other business issuer that is our Client. Such dealings with any such retail investor generally arise from personal relationships with such investor or referrals to such investor by professionals associated with or known to our Firm or our Client. In such circumstances, we will speak with the investor to describe the investment opportunity and obtain information to assess whether the investor is qualified, suitable, and interested in considering the investment. We will make available to the investor our Client Company's informational materials for the private placement, including its subscription agreement. We will also answer the investor's questions or, at the investor's request, may arrange for the Company to do so whenever possible. The retail investor makes the ultimate decision regarding the purchase or sale of investments. If a qualified and suitable investor chooses to invest, we may arrange for the investor to sign the subscription agreement and wire the agreed investment to the Company.

Additional Information: In addition to the above, given that we represent the Company and not the investor, we also encourage investors to speak with their own legal, financial, tax, or other advisers.

Conversation Starters: We welcome and encourage investor questions, such as:

- *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?*

Item 3: Fees, Costs, Conflicts, and Standard of Conduct

What Fees Will I Pay?: The Firm does not collect fees from retail investors in corporate finance matters. When we handle private placements our fees are paid by the Company issuing the securities, not by the investor. Private placement fees paid to investment banking firms by companies are different from fees paid by retail investors to investment managers or stockbrokers or others serving retail investors and it is important for retail investors to understand these differences. Because we are paid private placement fees by the issuing company, we have an incentive to place the company's securities so that we can receive such fees. Those fees typically range from 2.5% to 7.5% of capital invested depending on the nature of the security, the issuer's stage of development, the size and complexity of the placement, and other relevant market practices. In addition to the above fees, the issuer may also pay us retainer-based advisory or consulting fees and may reimburse us for expenses incurred. 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.

Potential Conflicts of Interest: Our fees, although paid by the issuer, operate to reduce the cash the Company will retain from the investor's investment. Further, our fee interests incentivize us to effectuate transactions for the Company, which may not be in a particular investor's interest. Thus, our incentives as company agents are

different from and may conflict with the retail investor's incentives. Investors are welcome to inquire about transaction fees as noted below.

You should always feel free to ask us about our fees. Our private placements are typically from clients that may have also paid us advisory fees or whom we serve for fees on multiple matters over time. We may thus have a bias in favor of serving the client's interest which may differ from an investor's interest. In addition, in some cases there may be more than one placement agent involved and thus fees may be shared or allocated among the agents. Also, a Company may, in some instances, pay a higher fee to an adviser that introduced a new investor and a lower fee if the investor was an insider or legacy investor.

In some private placements we or members of our Firm or affiliates of our Firm may have chosen to invest in the company whose securities are the subject of the private placement. These investments may also create an apparent or actual conflict of interest with an investor.

When the investor is a corporation or institution or family office, it may have resources to evaluate an investment opportunity that individual retail investors may lack. To the extent you incur fees or costs associated with an investment, these exist whether you make or lose money on the investment and will reduce the money you make on your investment over time. Please ensure that you understand the fees and expenses associated with an investment.

Conversation Starter: An investor may always ask us about fees associated with an investment or our role in it. For example, an investor is welcome to ask: *"Help me understand how fees and costs might affect my investment. 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?"

Standard of Care

When we provide you with a recommendation, 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 we provide you. Here are some examples to help you understand what this means: First, we are paid by a corporate client to place their securities. As a result, we may be motivated to act in the interests of our corporate client even if those interests may differ from yours. Second, when we place securities, our fees are paid by our corporate client (the issuer) from the proceeds of the private placement, which reduces the portion of those proceeds (including your investment) that the issuer retains. Finally, we sometimes make investments in our corporate clients. To the extent we have invested in a client we may share the client's desire to increase the number of investors that participate in a private placement which might be inconsistent with your interests or those of other retail investors.

When we speak or share information with retail investors on a placement, we may inform the investor of the attributes associated with the investment. We also discuss risks associated with an investment. We will answer questions concerning the investment, including the potential risks associated with the investment. If you have questions that require input from the Company issuing the securities, we will seek to obtain answers from members of the Company's management team when possible.

Conversation Starter: Retail investors are welcome and encouraged to inquire about the investment, the Company, or potential conflicts of interest relating to fees or otherwise. For example, you may wish to ask, *"How might our conflicts of interest affect me, and how will you address them?"*

How Do Your Financial Professionals Make Money?

Our professionals generally are paid base salaries for their work for the Firm and its parent company, and year-end bonuses that reflect their individual performance and contributions to the Firm, the Firm's profits and prevailing market conditions. The salaries and bonuses paid to our professionals come from the Firm's profits, which are derived from fees the Firm earns for the various services it provides, including the private placement of securities. Since bonus compensation is somewhat linked to the volume of private placements of securities made and the fees we earn from the issuers of securities, our professionals are motivated to sell you more securities so the Firm will receive additional Fees from our Client. Nevertheless, we take into account our retail investor's best interest and what is suitable for each individual investor and will not sell individual securities in volume or in kind that are inappropriate for an investor.

Item 4: Disciplinary History

Do you or your financial professionals have legal or disciplinary history?: Yes. Retail investors should visit Investor.gov/CRS for a free and simple search tool to research the Firm and its financial professionals. Investors are also welcome and encouraged to ask direct questions of representatives of the Firm such as ***"As a financial professional do you have any disciplinary history? For what type of conduct?"***

Item 5: Additional information: Retail investors may find additional information about our Firm at BrokerCheck.com. In addition, investors may find helpful information on our parent company Firm at SonenshinePartners.com. In addition, investors may also contact us at: Sonenshine Partners, 505 Park Avenue, New York NY 10022 (Tel: +1-212-994-3330) attention: Marshall Sonenshine, Managing Partner (msonenshine@sonenshinepartners.com), and Adam Greenberg, Managing Director (agreenberg@sonenshinepartners.com) with copy to Angela Guynn, Executive Assistant and Office Manager (aguynn@sonenshinepartners.com).

Conversation Starter: Retail investors are encouraged to ask financial professionals at our Firm questions on how to manage a dialogue with us, learn more about specific opportunities, or raise concerns or complaints. For example, such questions could include: *"Who is my primary contact person? Who can I talk to if I have concerns about how this person is treating me?"* We welcome an opportunity to learn about and address your concerns at our Firm.