

## DISRUPTIVE SECURITIES, LLC: CLIENT RELATIONSHIP SUMMARY - September 23, 2024

### ***Item 1 - Introduction***

Disruptive Securities, LLC (“We” or the “Firm”) is registered with the Securities and Exchange Commission (“SEC”) and the Financial Industry Regulatory Authority (“FINRA”) as a broker-dealer and separately a relying adviser affiliate of Disruptive. Brokerage and investment advisory fees differ, and it is important for you to understand these differences. Free and simple tools are available to research firms and financial professionals on the SEC’s investment education website ([www.Investor.gov/CRS](http://www.Investor.gov/CRS)), which will provide you with educational materials about broker-dealers, investment advisers, and investing.

### ***Item 2 - What investment services and advice can you provide me?***

**As a broker-dealer**, we serve as placement agent solely for affiliated privately offered pooled investment vehicles (“funds”). We do not buy or sell securities on behalf of investors, we do not hold investor cash or securities (neither in accounts or otherwise), we do not recommend securities transactions or strategies for investors. **As an investment adviser**, we do not provide investment advisory services to you or any other investors. We provide investment advisory services solely for the funds. We do this by identifying investment opportunities for the funds and institutional clients (not you) and we participate in the acquisition, management, monitoring, and disposition of investments on their behalf (not on behalf of you). The funds we support carry significant risks, including loss of some or all of your investment, the lack of a public market in which to sell your investment, a lack of publicly available information on the holdings within the funds, and no guarantee of return or of periodic payments. Detailed information about the funds can be found in their private offering memorandum, organizational documents, and/or related investment advisory agreement (collectively, “offering documents”), which you should review carefully prior to investing. While we may introduce a private investment fund to you as placement agent for the fund (but not on behalf of you), the ultimate investment decision as to your investment strategy, and the purchase or sale of investments, remains solely with you. Because we do not maintain accounts for you or any other retail investors, we do not impose any account minimums. However, certain funds we support may have investment minimums and those minimums would apply to you as an investor. **For more detailed information on the products and services we offer, including limitations, please review our Form ADV, Part 2A at [adviserinfo.sec.gov](http://adviserinfo.sec.gov). For more detailed information regarding Disruptive Securities, LLC can be found at <https://brokercheck.finra.org/firm/summary/299155>.**

**Conversation starters:** 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 3A - What fees will I pay?***

For funds, the broker-dealer may receive a private placement fee from one or more of the parties to a transaction. Such Private Placement Fees are negotiated between the parties and may result in either a flat fee or a fee based on the dollar amount of the transactions. For Mergers & Acquisition Advisory Services, the broker-dealer may negotiate to receive either a flat fee or a fee based on the dollar amount of the proposed transaction. Therefore, because certain fees may be based on the total dollar amount of the investment, a conflict of interest may result for the Firm and /or its financial representatives. However, when you invest in one of the funds introduced to you, you will pay the fees

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and expenses outlined in the fund's offering documents, which typically consist of a management fee, (in certain instances an advisory fee) and an incentive fee (also referred to as "carried interest"), , as described in the applicable fund's offering documents. **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 starter:** 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?

### ***Item 3B - 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?***

We do not provide recommendations or advice to you as a broker-dealer or investment adviser. When we act as investment adviser for the private investment funds we support, we have to act in the best interest of the funds and not put our interests ahead of the funds.' At the same time, the way we make money creates some conflicts with your interest. You should understand and ask us about these conflicts because they can affect the services and investment advice we provide. Here are some examples to help you understand what this means.

- If you invest in one of the funds introduced to you, you will pay fees and expenses to that fund. This provides us and our affiliates with an incentive to have you become an investor.
- Arrangements with our affiliates for which such affiliates receive fees for services provided to clients pose a conflict of interest given the lack of competition in sourcing such services.

**Conversation Starter:** How might your conflicts of interest affect me, and how will you address them?

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

Our personnel are employed by an affiliated firm, which pays them a salary and they are eligible to receive a discretionary bonus that is not based on sales commissions or assets under management. Our financial professionals who are registered with the broker-dealer are eligible to receive a portion of the placement fees and interest paid by the fund to the broker-dealer.

### ***Item 4 - Do you or your financial professionals have legal or disciplinary history?***

No. Visit <https://brokercheck.finra.org> to research us and our financial professionals.

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

### ***Item 5 – Additional Information***

For additional information about our firm, services, or to request a free copy of our Form CRS, please contact us at [compliance@disruptive.tech](mailto:compliance@disruptive.tech).

**Conversation Starter:** 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?