

Summary of Changes to Form CRS

April 25, 2024

A routine exam of Christian Financial Services LLC by FINRA revealed deficiencies in the firm's Form CRS. The form has been updated and is being uploaded along with this summary of the changes to the form. The content of the form is generally the same. The reason for the creation of the updated form was a failure to use the SEC proscribed format for the form. See the following Appendix for a complete summary of the changes to the form.

Appendix A

Section 1 – Introduction (Does not specify Firm registrations with SEC as BD, IA, or both.)

Does not use prescribed language which states “How BD and IA services and fees differ, and it is important to understand the differences”

Does not use prescribed language and website link which states, “Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://investor.gov/CRS)” instead the firm stated, “Free and simple tools are available to research CFS LLC and broker Brode on the SEC’s investment education website (investor.gov/sec).”

Section 2 - Relationship and Services (Improper formatting as Relationship and Services information has no designated section and the information for this section is spread throughout the Form CRS.)

Missing prescribed header “What investment services and advice can you provide me?”

Missing additional information, including how to obtain information required by Reg BI such as the BI brochure per the CRS instructions.

Given the firm only offers Class A Mutual Funds and no other investment products or classes of mutual funds, the firm must disclose this as a “Material Limitation” within the Relationships and Services section of the Form CRS.

No disclosure of whether or not firm has minimum account size or investment amount requirements

Missing prescribed conversation starters: “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?”

Section 3 - Fees, Costs, Conflicts and Standard of Conduct (Improper formatting as Fees, Costs, and Conflicts has no designated section and the information related to this section is spread out throughout the Form CRS.)

Missing prescribed header: “What fees will I pay?”

Missing prescribed mandatory statement: “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.”

Missing prescribed conversation starters: “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?”

Missing additional information (including how to obtain information required by Reg BI such as the BI brochure per the CRS instructions).

Improper formatting as Standards and Conducts has no designated section and the information related to this section is spread throughout the Form CRS

Missing required header “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”

Missing prescribed conversation starter “How might your conflicts of interest affect me, and how will you address them?”

Missing required header “How do your financial professionals make money?”

Improper formatting - How financial professionals are compensated is disclosed on the Form CRS, but not under the prescribed section

Section 4 – Disciplinary History (Improper formatting: Disciplinary history is not disclosed in the prescribed section as it is disclosed at the beginning of the Form CRS instead of in Section 4.)

Missing required header: “Do you or your financial professionals have legal or disciplinary history?”

Did not specify a Yes or No response in relation to if financial professionals have legal or disciplinary history as prescribed wording should state, instead the firm states, “CFS LLC and Doug Brode have a clean disciplinary history with all governing bodies. For more information go to FINRA.org where you can research all FINRA broker/dealers.”

Missing conversation starter: “As a financial professional, do you have any disciplinary history? For what type of conduct?”

The form does not direct the retail investor to visit [Investor.gov/CRS](https://www.investor.gov/crs) for a free and simple search tool to research the firm and its financial professionals.

Section 5 - Additional Information

Missing 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?”

Form does not disclose Additional Information which must prominently disclose at the end of Form CRS where the retail investor can find additional and up-to-date information about the firm’s services and request a copy of Form CRS, including a firm contact telephone number.