

# AMERICAN ELM DISTRIBUTION PARTNERS, LLC. FORM CRS RELATIONSHIP SUMMARY

## 1. INTRODUCTION

American Elm Distribution Partners, LLC (“AEDP”) is registered with the Securities & Exchange Commission (“SEC”) as a broker-dealer that provides brokerage accounts and services. AEDP is a member of the Financial Industry Regulatory Authority (“FINRA”) and the Securities Investor Protection Corporation (“SIPC”). Brokerage and investment advisory services and fees differ; it is important for you to understand the differences. Free and simple tools are available to research firms and financial professionals at: [www.investor.gov/CRS](http://www.investor.gov/CRS) which also provides educational materials about broker-dealers, investment advisers, and investing.

## 2. WHAT INVESTMENT SERVICES AND ADVICE CAN YOU PROVIDE ME?

- AEDP’s representatives (“Representatives”) sell 506(c) offerings (“Funds”) to accredited retail investors and do not provide advice, account monitoring, or make recommendations on the purchase of any other securities. Our Representatives do not have access to sell any other products and they are required to ensure that this investment is in your best interest. The Funds that we sell are exempt from registration requirements under the Investment Company Act of 1940 and are illiquid, high-risk investments.
- AEDP requires that each investor provide evidence of being an accredited investor, have a certain level of financial and investment experience, and have an appropriate amount of liquid assets; among other minimum requirements to invest. The Funds we sell have a minimum investment amount, determined by the manager. Not all investors will be admitted to the Fund and your Representative will ask a number of questions in order to determine if the investment is appropriate for your individual financial situation and in your best interest.
- You have the right to consult with another financial professional who can review your entire portfolio and long term investment goals and would have access to more product lines that may meet your investment goal. We encourage you to take steps to review your entire portfolio to ensure this investment compliments your current portfolio and meets your ultimate investment goals.
- **You may find further information at:** <https://americanelmdp.com/> Investready accreditation site <https://support.investready.com/help/what-does-it-mean-to-be-an-accredited-investor> , SEC: Rule 506 of Regulation D <https://www.sec.gov/fast-answers/answers-rule506htm.html>

### **Questions to ask:**

- *Given my financial situation, should I choose a brokerage service? Why or why not? How will you choose investments to recommend to me?*
- *How will you choose investments to recommend to me?*
- *How will you determine if this type of investment is appropriate for me?*
- *What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?*

## 3. FEES, COSTS, CONFLICTS, AND STANDARD OF CONDUCT

### **3A. What Fees Will I Pay?**

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.

- AEDP does not directly charge the investor any fees (i.e. custodian fees, account fees, sales charges etc.) However, AEDP receives compensation from the Funds for the services that we provide, which are paid from the investment proceeds.

### **Questions to ask:**

*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?*

**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?**

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:

- Material Limitations: In most instances, our Representatives will only provide a recommendation for a single third-party Fund
- Compensation/Revenue Sharing: Our Representatives receive compensation either in the form of a fee or a commission upon your investment in one of our proprietary Funds. Additionally, our indirect equity holders, and in certain instances our Representatives, can have a controlling ownership interest in the general partner and the investment manager of the Funds we sell.
- **You may find further information at in the Fund's private placement memorandum (the "Offering Documents") entitled "Conflicts of Interest."**

**Questions to ask:**

- How might your conflicts of interest affect me, and how will you address them?
- What do you mean by "proprietary Funds?"

**3C. How do your financial professionals make money?**

- Our Representatives are either full-time employees or work for AEDP as contract employees and are compensated by a base salary and commissions. Full-time AEDP employees receive a salary from the firm, while contract employees may be paid a salary from a third-party fund company. The commission they earn is based upon the amount of your individual investment.
- This commission is paid from the Fund, and it is not charged directly to the investor as an up-front charge. The commission that a Representative earns from an investment is dependent on a number of factors including but not limited to, the product, their level of knowledge and experience, and whether the Representative's compensation from AEDP is exclusive to commission as opposed to a combination of salary and commission.

**4. DO YOU OR YOUR FINANCIAL PROFESSIONALS HAVE LEGAL OR DISCIPLINARY HISTORY?**

No, none of our employees have any legal or disciplinary history. However, you can visit [www.investor.gov/CRS](http://www.investor.gov/CRS) for a free and simple search tool to research us and our financial professionals. For additional information about our Representatives and services, visit <https://brokercheck.finra.org/>, our web site <https://americanelmdp.com/> and refer to the Fund's Offering Documents.

**Questions to ask:**

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

**5. ADDITIONAL INFORMATION**

You may request a copy of this form and receive up-to-date information by calling us at 603-294-1396 or emailing us at [compliance@americanelmdp.com](mailto:compliance@americanelmdp.com). You can also visit our website <https://americanelmdp.com/> to receive more information and obtain a current copy of this form, among other disclosures and documents.

**Questions to ask:**

*Who is the primary contact person for my account? Is he or she a registered representative of a broker-dealer? If I have concerns about how this person is treating me, who can I talk to?*