

## 1. Firm Introduction

Sanctuary Securities, Inc. is a broker-dealer and a member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investor Protection Corporation (SIPC). Sanctuary Advisors, LLC is an SEC Registered Investment Adviser. Both entities are wholly owned subsidiaries of Sanctuary Wealth Group, LLC ("Sanctuary," "we," "our," or "us"). We have a network of financial professionals who offer brokerage and investment advisory services. Brokerage and investment advisory services and fees differ so it is important for you to understand the differences. This relationship summary explains the various services we offer, how we charge for those services and conflicts of interest that exist when we provide our services. Free and simple tools are available to research firms and financial professionals at <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?

Sanctuary's network of independent financial professionals offers brokerage services, investment advisory services, or both, depending on their licenses. Our services are designed to address many different types of investors and their particular objectives, needs, and preferences. The services available to you vary by financial professional, so it is important that you speak with your financial professional about the specific services they provide as the range of investment options available to you may be limited depending on the licenses your financial professional holds. Sanctuary does not impose minimum account sizes or a minimum investment amount; however, individual financial professionals may require you to meet minimum asset thresholds for an account to be managed. There are important differences between the two types of services, including their costs to you and the nature and extent of the services provided. Some of the key differences between the two types are described below.

**Brokerage Services:** If you open a brokerage account with Sanctuary Securities, Inc., you may select investments or the broker-dealer/financial professional may recommend investments for your account, but the ultimate decision for your investment strategy and the purchase and sale of investments will be yours. We offer full-service brokerage accounts with a wide variety of investments such as stocks, bonds, mutual funds, options, unit investment trusts, alternative investments and exchange traded funds. We do not offer proprietary products. Sanctuary Securities, Inc. does not provide ongoing monitoring for brokerage accounts, but your financial professional can provide information about your investments upon request. The costs of each investment can vary in a brokerage account. You may pay transaction fees that come in various forms. Please review Section 3 below regarding fees for further details.

**Advisory Services:** If you open an advisory account with Sanctuary Advisors, LLC, you will pay an ongoing asset-based fee at the beginning of each month or each quarter for our services, based on the value of the cash and investments in your advisory account. You can choose how you pay your fees for your advisory accounts. You may elect a wrap fee arrangement, or you can elect a non-wrap fee arrangement. Fees and costs for these different offerings are described in Section 3 below regarding fees.

You can choose an account that allows us to buy and sell investments in your advisory account without asking you in advance (a "discretionary advisory account") or we may give you advice on investment options and you decide what investments to buy or sell (a "non-discretionary advisory account"). Your elected choice of these services will be communicated in your advisory agreement. You can impose certain restrictions on your accounts.

For all advisory accounts, we will offer you advice on a regular basis. We will discuss your investment goals, design a strategy with you focused on these goals, and regularly monitor your account. We will contact you (by phone or email) at least annually to discuss your portfolio.

We also make available financial planning services including, but not limited to, wealth accumulation, wealth distribution, cash flow analysis, higher education planning, retirement planning, estate planning, and legacy planning. You may elect how you pay your fees for these services based on an hourly rate or a lump sum amount depending on the services you select from the list above.

**For additional information,** please see our Brokerage Services Disclosure Summary, our Form ADV, Part 2A Brochure (Items 4 and 7) and our Part 2A Appendix 1 Wrap Fee Brochure (Items 4.A and 5). Applicable disclosures are available to you at [sanctuarywealth.com/disclosures](http://sanctuarywealth.com/disclosures).

### Conversation Starters: Ask your financial professional –

- Given my financial situation, should I choose an investment advisory service? Should I choose a brokerage service? Or should I choose a combination of both 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?

### 3. What fees will I pay?

Our fees vary. The amount you pay will depend, for example, on the services you select and receive, and whether you select a brokerage account or advisory account. You will pay a transaction-based fee in a brokerage account and an asset-based fee in an advisory account. Below we describe the fees you could be charged depending on your investment choices.

**Brokerage Services:** You can open a brokerage account where you will pay a transaction-based fee, generally referred to as a commission, when the firm and financial professional buys or sells an investment for you. Because you are charged a fee for each transaction, the firm has an incentive to encourage you to trade often which creates a conflict of interest.

For investments in stocks or ETFs, the transaction-based fee is usually charged as a separate commission that is added to the principal amount of the transaction. For investments in bonds, this fee is typically included as part of the price you pay or receive for the investment (called a markup or markdown).

For investments in certain products like mutual funds, annuities, and alternative investments, we receive transaction-based fees from the product sponsors in the form of sales charges (e.g., sales loads). These fees are based on the amount invested in a product and, depending on the product, may be based on how long you hold the investment. Our receipt of such sales charges creates an incentive to recommend products or sponsors that pay such charges.

**Advisory Services:** For investment advisory services, we typically charge an ongoing fee (sometimes referred to as an asset-based fee) which is paid monthly or quarterly in advance or in arrears. This fee is a percentage of the value of your account. You pay this fee even if you don't buy or sell investments. The more assets you have in an asset-based fee account, the more you'll pay us in fees. This creates an incentive for us to encourage you to increase the size of your account, including by transferring or rolling over assets from other accounts. For some types of accounts, there is a per transaction charge in addition to an asset-based fee. We may also charge an hourly fee or fixed fee for additional services such as financial planning and consulting services that are of limited duration or nature.

You may elect a wrap fee advisory arrangement where your transaction fees, custodian fees, platform fees, sub-manager fees and our advisory fees are a single asset-based fee. Alternatively, you may elect a non-wrap fee advisory arrangement where the cost of transactions, custodial fees, platform fees, sub-manager fees and our advisory fees are charged separately. The fee in a wrap fee advisory arrangement may be higher than the fee in a non-wrap fee advisory arrangement.

You may pay transaction fees when we buy and sell investments for you in your account. You may also pay fees to a broker-dealer or bank, called the custodian, who will hold your assets depending upon the fee arrangement you select. The fee you pay your financial professional is generally negotiated with him or her directly, and subject to different maximums, depending on the advisory program selected.

#### Other Fees and Costs

If applicable to your account, you will be charged for other fees in addition to brokerage commissions and advisory fees, including the following: (1) outgoing transfers, IRA maintenance and termination fees, ticket charges, and direct registration of securities; (2) cash management fees such as checking, wire transfer charges, margin fees, and stop payments; (3) investment specific fees such as those for administration of alternative investments or for foreign securities; and (4) asset-based fees on mutual funds, ETFs, and other pooled funds.

For more information, please see our **Brokerage Account Fee Schedule** and our disclosures available at [sanctuarywealth.com/disclosures](https://sanctuarywealth.com/disclosures). You should understand that these fees are not charged by us, but by our brokerage account custodians or product sponsors, depending on where your account is custodied. We mark-up and receive a portion of many of the fees charged by our brokerage custodian which results in increased costs to you. This results in a conflict of interest because we are incentivized to recommend custodians that share fees with us, or that permit us to markup their fees. You may also incur fees charged

by the particular investment product in which you are invested, including mutual funds, ETFs, and other pooled funds, in addition to brokerage commissions and advisory fees charged by us. Some of these fees may be shared, as described below in Third-Party Payments. Certain investment products have significant fees triggered by particular events, e.g., fees for excessive transfers or early withdrawals. Depending on the investment product in which you invest, fees and costs are described in the product's prospectus or other offering document.

*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 investment over time. Please make sure you understand what fees and costs you are paying.*

**For additional information**, please see our *Brokerage Services Disclosure Summary*, our *Form ADV, Part 2A Brochure (Item 5)* and our *Part 2A Appendix 1 Wrap Fee Brochure (Item 5)*. Applicable disclosures are available to you at [sanctuarywealth.com/disclosures](https://sanctuarywealth.com/disclosures).

### **Conversation Starters: 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 providing recommendations as my broker-dealer or when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?**

When we provide you with recommendations as your broker-dealer or 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 recommendations and investment advice we provide you. Here are some examples to help you understand what this means:

**Commissions and other Compensation:** We have an incentive to advise you to invest in certain investments, such as fixed income products, alternative investments, structured notes, or sub-managed portfolios because the manager or sponsor of those investments shares distribution fees, underwriting fees, manager fees, or a portion of their revenue with the firm. Commissions or other compensation related to one financial service provider, product, investment, or service may be higher than commissions or other compensation related to a comparable provider, product, investment, or service.

**Principal Trading:** In brokerage accounts, we sometimes directly buy investments from you or sell investments to you from our own account (called “acting as principal”), but only with your specific approval on each transaction. We can earn a profit on these trades, so we have an incentive to encourage you to trade with us. We do not engage in principal trading in our advisory accounts.

**Third Party Payments:** We have an incentive to advise you to invest in certain investments such as mutual funds, annuities, 529 plans, and alternative investments where the firm receives third-party payments, such as commissions, from the managers or sponsors of these investments.

**Custodian/Sponsor Benefits:** We have an incentive to advise you to use certain custodians and investments because the firm receives marketing allowances and benefit dollars from your custodian and investment sponsors.

**For additional information**, please see our *Brokerage Services Disclosure Summary* and our *Form ADV* for your advisory program. Applicable disclosures are available to you at [sanctuarywealth.com/disclosures](https://sanctuarywealth.com/disclosures).

### **Conversation Starters: 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 financial professionals are paid asset-based fees and commissions which vary depending on your assets, the time and complexity of your financial situation, and the types of products used to meet your needs.

Receiving a portion of the advisory or brokerage fees you pay to us creates an incentive for a financial professional to encourage you to increase your investment account size, trade more frequently, or recommend products that pay higher commissions. The firm receives a percentage of the advisory fees and commissions from the advisory services and recommendations made to you and your accounts by your financial professional.

Your financial professional is required to act in your best interest and not put his or her interests ahead of your own and the firm has systems in place to mitigate the conflicts of interest that arise from the way our financial professionals are paid. More information on your financial professionals' compensation can be found in our Form ADV and our Brokerage Services Disclosure Summary found at [sanctuarywealth.com/disclosures](https://sanctuarywealth.com/disclosures).

## **4. Do you or your financial professionals have a legal or disciplinary history?**

Yes. Visit [www.investor.gov/CRS](https://www.investor.gov/CRS) or free and simple search tools to research our firm and our financial professionals.

### **Conversation Starters: Ask your financial professional –**

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

## **5. Additional Information**

Please visit the Disclosures page on [sanctuarywealth.com/disclosures](https://sanctuarywealth.com/disclosures) for more information including a copy of the Brokerage Services Disclosure Summary, Form ADV, and other disclosures referenced herein. If viewing a paper version of this form, please visit [sanctuarywealth.com/disclosures](https://sanctuarywealth.com/disclosures) for hyperlinks to cross-referenced documents. If you would like additional, up-to-date information, a current copy of this Client Relationship Summary, or if you have a problem with your financial professional, please call us at (317) 975-7729.

### **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?