

LEVEL FOUR ADVISORY SERVICES, LLC | LEVEL FOUR FINANCIAL, LLC | LEVEL FOUR CAPITAL MANAGEMENT, LLC

Form CRS Relationship Summary

October 9, 2023

LEVEL FOUR ADVISORY SERVICES, LLC (“LFAS”) and LEVEL FOUR CAPITAL MANAGEMENT, LLC (“LFCM”) are investment advisers registered with the Securities and Exchange Commission (SEC). LEVEL FOUR FINANCIAL, LLC (“LFF”) is a SEC Registered Broker Dealer and member of FINRA and SIPC.

Brokerage and investment advisory services and fees differ and it is important for you to understand these differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://www.investor.gov/crs), which also provides educational materials about broker-dealers, investment advisers, and investing.

What investment services and advice can you provide me?

Level Four Financial, LLC “LFF” BROKERAGE (Commission-Based)

LFF’s, primary service, as a broker dealer, is buying and selling securities for your account. The brokerage programs we offer include:

- **Full-Service-** Accounts in this program are non-discretionary with an assigned Financial Professional who can offer recommendations to buy or sell securities but you must approve each transaction prior to execution.
- **Self-Directed-** Accounts assigned to our Service Center are non-discretionary and are not available to new clients. When a Level Four representative is no longer assigned to a Full-Service account, we provide options that may include converting to a Self-Directed account. In this account, you control the buying or selling of securities. The Service Center’s role is to execute the trades you request.

Account Monitoring: We do not agree to provide account monitoring services for your brokerage accounts. Your financial professional may voluntarily review holdings in your brokerage accounts from time to time and may or may not make recommendations to you based on these reviews. These voluntary account reviews are not an account monitoring service.

Account Minimums: Other than limited exceptions related to particular client-types, we generally do not require a minimum account size to open a brokerage account. Some securities do have investment minimums.

Limited Investment Offerings: We offer and make recommendations on non-proprietary products. We do not offer or make recommendations on all products of any particular type; for example, we do not offer or make recommendations on all mutual funds, or make available all share classes of the offered mutual funds.

Level Four Advisory Services, LLC “LFAS” INVESTMENT ADVISORY (Fee-Based)

LFAS’s advisory services include asset management services which involve providing clients with continuous and on-going supervision over client accounts. Depending on which program you select, our asset allocation services are either “non-discretionary” or “discretionary”—meaning that either we will recommend investments to you and you will make the ultimate decision regarding the purchase or sale of investments (non-discretionary), or we will make the ultimate investment decisions without your signoff (discretionary). Asset management services may be provided directly by LFAS or through affiliated and/or unaffiliated sub-advisors, including without limitation, LFCM. Many of our advisory services are offered through “wrap fee programs” (as described below) and either we or the third-party manager will continuously monitor your advisory account and investments as part of your standard services. You may have to meet certain investment minimums to open an advisory account. Current account minimums for each program are described in Part 2A Appendix 1 Wrap Brochures for each program.

LFAS also provides LFAS advisory services by recommending clients to outside, or unaffiliated, money managers. Third-party money managers will invest your account on a discretionary basis using mutual funds, ETFs, and other securities. LFAS additionally provides several advisory services for corporate retirement plans such as pension, profit sharing and 401(k) plans. Such services are specific to the plan and may include working with individual participants. For additional information, please see Form ADV, Part 2A brochure (Items 4 and 7 of Part 2A or Items 4.A and 5 of Part 2A Appendix 1 for the relevant wrap fee program).

**Level Four Capital Management, LLC “LFCM”
INVESTMENT ADVISORY (Fee-Based)**

LFCM advisory services include asset management services provided directly or through either a third-party arrangement or a sub-advisory arrangement with either affiliated or unaffiliated SEC and state-registered investment advisory firms. Asset management services are generally provided on a discretionary basis, meaning that we will make the ultimate investment decisions without your signoff (discretionary). Many of our advisory services are offered through “wrap fee programs” (as described below) and either we or the third-party manager will continuously monitor your advisory account and investments as

part of your standard services. For accounts managed in investment strategies developed by the LFCM Investment Committee, a minimum of \$10,000 is generally required for asset allocation models, \$100,000 for equity portfolios, and \$250,000 for fixed income portfolios. Exceptions to these minimums may be granted at the discretion of LFCM.

In connection with its sub-advisory services, LFCM does not have a direct investment advisory relationship with you and instead the referring advisor, will serve as your primary point of contact and as your advisory representative. For additional information, please see Form ADV, Part 2A brochure (Items 4 and 7 of Part 2A).

Level Four Insurance Agency, an affiliated insurance agency, offers a variety of insurance products, including fixed and immediate annuities and life insurance. Our parent company, Level Four Group, is indirectly 100% owned and controlled by Carr, Riggs & Ingram, L.L.C. (CRI), an Alabama limited liability company and accounting firm that provides a full range of accounting services.

Conversation Starters. Ask your financial professional—

- *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?*

What fees will I pay?

**Level Four Financial, LLC “LFF”
BROKERAGE (Commission-Based)**

In a brokerage account, you will incur transaction charges when you buy or sell securities, including: commissions; markups and markdowns (analogous to commissions in a principal transaction); upfront or ongoing fees that you pay to a mutual fund or other product issuer, a portion of which is paid to us in connection with your transaction; and handling and processing fees on each securities transaction.

Transaction charges differ from one product to another which creates an incentive for your financial professional to recommend products that have higher transaction charges. You will incur greater total transaction charges when there are more trades in your account, which creates an incentive for us to encourage you to trade more often.

Depending upon your account and relationship, you may also incur periodic account maintenance or IRA custodial fees, as well as processing, service, and account fees upon certain events or occurrences. You will incur interest charges if you borrow on margin or draw down on a securities-based loan in any of your accounts.

Certain investments, such as mutual funds, have embedded fees that are generally paid by you to the companies that sponsor, manage, and/or promote the investment.

**Level Four Advisory Services, LLC “LFAS”
INVESTMENT ADVISORY (Fee-Based)**

In an advisory account the fees you pay depend on the service being provided as well as the program that you select. The principal fees and costs for wrap programs are the “wrap” program fee for the program you select. These fees are “asset-based” meaning that the fee is calculated as a percentage of the assets invested in your advisory account according to the fee schedule in your advisory agreement with us. This means that the more assets you invest in your account, the more you will pay in fees, and therefore ***we have an incentive to encourage you to increase your advisory account assets.***

A wrap advisory fee includes most transaction costs and fees paid to a broker-dealer or bank that has custody of your assets, and therefore is typically higher than a typical asset-based advisory fee that does not include transaction costs and fees. Our clients typically pay the advisory fee each month or quarter, but please see your advisory agreement for the payment frequency that applies to your account. For LFAS, financial planning and retirement plan fees and other advisory fees may also be paid as a fixed or hourly fee based upon the services provided as negotiated with your advisory representative.

**Level Four Capital Management, LLC “LFCM”
INVESTMENT ADVISORY (Fee-Based)**

LFCM sub-advisory fees are paid out of the fees paid to the referring advisor, including without limitation, a referring advisor that may be associated with an LFCM affiliate company.

For additional information on LFAS or LFCM advisory fees, please see the LFAS Form ADV, Part 2A brochure (Items 5.A., B., C., and D. and Form ADV, Part 2A Appendix 1 for the applicable wrap program (Item 4), the LFCM Form ADV, Part 2A brochure (Items 5.A., B., C., and D.) and your investment advisory, financial planning or retirement planning agreement.

In all account types, brokerage and advisory, you may also pay miscellaneous fees that your account's custodian may charge, including wire fees, transfer fees, bank charges and other fees, as well as fees and expenses that are included in the expense ratios of certain of your investments, including in mutual funds and ETFs.

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 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 a recommendation as a 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 about these conflicts because they can affect the recommendations and investment advice provided to you. Here are some examples to help you understand what this means. For additional information on conflicts of interest, please see the [LFAS Form ADV, Part 2A brochure](#) (under Items 10, 11, 12 and 14) and the [LFCM Form ADV, Part 2A brochure](#) (under Items 10, 11 and 14)

Examples of Ways We Make Money and Conflicts of Interest

- **Third-Party Product Sponsor Payments:** In an advisory account we receive payments from third party product sponsors and managers (or their affiliates) when we recommend or sell certain advisory programs. As such, we have an incentive to recommend (or to invest your assets in) programs of third-parties that pay us over products of third parties that do not pay us, or pay us less.
- **Services through Affiliates:** We may recommend services provided by affiliate business partners, including tax and accounting, insurance, brokerage and asset management services. As these affiliate business partners receive payments for services provided, including without limitation, sub-advisory fees that are based upon net asset values of sub-advised funds, we have an incentive to utilize these business partners rather than recommend services of unaffiliated entities
- **Third-Party Services/Compensation:** We receive cash and non-cash economic benefits from our clearing firm and product sponsors. These companies earn revenue by charging you fees, such as a management fee in a mutual fund, or interest on securities-based loans. A portion of these fees are shared with us directly or the relationship profits are likely considered when providing benefits to the firm. We use such services/compensation in part to support activities related to servicing client accounts, to provide ongoing product support for certain investments and to provide assistance with conferences and educational meetings for financial professionals. **We have an incentive to promote the products/platforms that have the most potential for services/compensation over those that share less or none at all.**
- **Principal trading** – In a brokerage account we may buy a security from you or sell a security to you from our own account. This activity occurs predominantly with fixed income securities. **This may create incentives for us to act against your best interest to either generate trading profits or avoid losses.** Principal transactions require trade by trade consent from you.

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?

The majority of our financial professionals are dually registered representatives of Level Four Financial Services, LLC ("LFF"), a FINRA registered broker-dealer and Level Four Advisory Services, LLC, ("LFAS") an SEC-registered investment advisor. Your financial professional may offer you brokerage services through LFF or investment advisory services through LFAS or LFCM. Brokerage services and investment advisory services are different, and the fees charged by the Advisory firms (LFAS and LFCM) and commissions charged by the brokerage firm (LFF) are different. It is important that you understand the differences. You are encouraged to learn more

about Level Four Financial Services, LLC by reviewing www.levelfourfinancial.com and having a discussion with your financial professional.

In particular, in a **brokerage account**, your financial professional, may earn transaction-based compensation and have additional conflicts of interest as a result of being paid a commission for securities sold in his/her capacity as a registered representative of LFF for services provided in a brokerage account.

For **advisory accounts**, services are provided through LFAS and LFCM and financial professionals are compensated based upon a percentage of the amount of client assets that are serviced and, dependent upon employment status, may also receive a base salary. Conflicts relating to compensation are discussed above (*See Examples of Ways we Make Money and Conflicts of Interest.*).

Generally, Financial professionals are compensated as a percentage of the revenue sources described below:

- Commissions, markups and markdowns earned in brokerage accounts, which vary by product.
- Ongoing fees from mutual fund purchased in brokerage accounts and certain other product issuers.
- Advisory fees which are generally assessed monthly or quarterly at the rate you agreed upon with your financial professional (based on our published fee schedule).
- Fees related to other products and services provided to you.

Some financial professionals receive a base salary and discretionary bonus from an affiliate dependent upon their employment status.

- The percentage of revenue that your financial professional receives will generally increase as total revenue earned from their client account(s) increases. *Therefore, financial professionals are incentivized to increase revenues on your and other clients' accounts.*

Do you or your financial professionals have legal or disciplinary history?

LFF currently has reported legal or disciplinary items and additionally has financial professionals associated with the firm that have reported legal or disciplinary items such as a personal bankruptcy, customer complaint or regulatory issue or review.

LFAS currently does not have any reported legal or disciplinary items. However, financial professionals associated with the firm have reported legal or disciplinary items such as a personal bankruptcy, a customer complaint or regulatory issue or review.

LFCM currently does not have any firm level or financial professionals that have reported legal or disciplinary items.

You can visit Investor.gov/CRS and utilize the SEC's free and simple search tool to research us and your individual financial professional and find educational information about broker dealers, investments advisers and investing. Firm level disciplinary history detail is also available on FINRA's [Broker Check](#) and/or the SEC's [Investment Advisor Public Disclosure Website](#).

Conversation Starters. Ask your financial professional—

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

Additional Information

For additional information about our **brokerage services**, please visit www.levelfourfinancial.com.

For additional information about the firm **advisory account offerings**, please see www.levelfouradvisors.com, and/or www.levelfourcapital.com, Form ADV, Part 2A brochure or Form ADV, Part 2A Appendix 1 brochure for the applicable wrap fee program. If you would like additional, up-to-date information or a copy of this disclosure, please call 866-834-1040.

This Form CRS is a summary, as required by SEC rules, as part of discussions that may encompass a variety of accounts and account types. Statements in this Form CRS requiring that we act in your best interest when making brokerage recommendations reflect our obligation under the SEC's Regulation Best Interest. Please consider this summary, and the more detailed information we will provide you, as part of these discussions. The information in this Form CRS is subject to the more complete terms and conditions of our brokerage or investment advisory agreements and disclosures (including Form ADV Part 2 when we act as investment adviser). If you would like additional information or a copy of this Client Relationship Summary, please call your financial professional or Level Four at 866-834-1040.

Conversation Starters. Ask your financial professional—

- *Who is my primary contact person? If he or she a representative of an investment adviser or broker-dealer? Who can I talk to if I have concerns about how this person is treating me?*