

### Introduction

Elliott Cove Capital Management LLC ("ECCM") is an Investment Adviser registered with the U.S. Securities and Exchange Commission. We offer our clients investment advisory services. Clients should understand that the services we provide and fees we charge are different than those of a broker-dealer, and that it is important to understand the difference between the two. Free and simple tools are available to research firms and financial professional at <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?

**Description of Services:** We offer investment advisory services to retail investors in the form of asset management services which involves us managing and trading your designated account(s). ECCM will discuss your investment goals and design a strategy to try and achieve your investment goals. ECCM will continuously monitor your account when providing asset management services and contact you at least annually to discuss your portfolio. For more information please see **Item 4** of our **Form ADV Part 2A**. When providing asset management services you can choose whether you'd like us to provide services on a **discretionary** basis (we will have the authority to determine the type and amount of securities to be bought or sold in your account) or a **non-discretionary basis** (we will have to confirm any trades in your account with you before we place them). For more information please see **Item 16** of our **Form ADV Part 2A**.

**Limited Investment Offerings:** We do not primarily recommend one type of security to clients. Instead, we recommend any product that may be suitable for each client relative to that client's specific circumstances and needs. However, we are limited in investment selection in that we can only invest your account in securities which are available on your custodian/broker-dealer's platform. When providing you services, we do not recommend or offer advice on any proprietary products.

**Account & Fee Minimums:** ECCM requires a minimum of \$25,000 in order to open an account. To reach this account minimum, clients can aggregate all household accounts.

**Conversation Starters:** *Given my financial situation, should I choose an investment advisory 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?*

### What Fees Will I Pay?

**Description of Principal Fees & Costs:** Fees charged for our asset management services are charged based on a percentage of assets under management, billed in arrears on a quarterly calendar basis, and calculated based on the average daily balance of your account during the current billing period. The annual fee for asset management services will be based upon a fee schedule which ranges between 1.00% and 1.50%. Because our fee is based upon the value of your account, we have an incentive to recommend that you increase the level of assets in your account. When engaging us for asset management services you will also incur other fees and expenses. The broker-dealer/custodian on your account will charge you fees and expenses for maintaining your account. You will also incur internal management fees and expenses by the funds we invest in, within your account.

**Additional Information:** 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. For more information about the fees we charge and the other fees and expenses you will incur please see **Item 5** of **Form ADV Part 2A**.

**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?*

### What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?

**Standard of Conduct: When we 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 investment advice, we provide you. Here are some examples to help you understand what this means. (1) We have

relationships with non-affiliated banks employing select bank employees as investment adviser representatives. We pay those banks a portion of our advisory fees for successfully acquired clients. This creates a conflict of interest for those investment adviser representatives to recommend our firm over other investment adviser firms. (2) If you rollover an IRA account to our firm, we will charge your account and make money. If you decide to not rollover the IRA to our program, we will not make money. Therefore, we have an incentive for you to move your IRA to our program even if it is not in your best interest. (3) Some of our investment adviser representatives also serve as insurance agents. Through their role as such they may sell, for commissions, various insurance products. We have a conflict of interest in recommending these products to you because of the potential for additional revenue. (4) Our Vice President of Investments, William Schatz is a registered representative of Lincoln Investment, an SEC registered broker-dealer. Mr. Schatz can offer you brokerage services through Lincoln Investment in lieu of or in addition to investment advisory services through our firm. Brokerage services and investment advisory services are different, and the fees we, and Lincoln Investment, charge for those services are different. It is important that you understand the differences. In particular, Mr. Schatz will earn transaction-based compensation and have additional conflicts of interest as a result of providing brokerage services through Lincoln Investment. You are encouraged to learn more about Lincoln Investment by reviewing their relationship summary and having a discussion with your investment adviser representative.

**Additional Information:** For more information about our conflicts of interests and the ways we are compensated please see **Item 4, Item 5, Item 10, and Item 14** of our *Form ADV Part 2A*.

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

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

**Description of Salary/Payment of IARs:** We have different compensation arrangements for our investment adviser representatives. Some are paid a flat salary by their employing bank which is not dependent on the level of revenue they generate for our firm. Some of our representatives receive bonuses based on whether they meet or exceed their goals. Some are compensated based solely on the level of assets that they bring into ECCM. Paying bonuses and other compensation based on revenue we earn from advisory services or recommendations creates a conflict of interest as it gives those representatives an incentive to recommend you invest more in your account with us due to the potential for increased payments.

Our investment adviser representatives also serve as licensed insurance agents. When acting in this capacity they will receive commissions for selling insurance products. This creates a conflict of interest when they recommend you purchase insurance products through them. For more information about these conflicts of interest please see **Item 10** of our **Form ADV Part 2A**.

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

Neither us, nor our investment adviser representatives have a legal or disciplinary history to report. You can look up more information about us and our investment adviser representatives at <https://www.investor.gov/CRS>.

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

#### **Additional Information about Elliott Cove**

Additional information about ECCM along with copies of our Form ADV Part 2A disclosure brochure and this relationship summary are available on the Internet at <https://www.elliottcove.com/>. You can find our disclosure brochures and other information about us on the SEC's Investment Adviser Public Disclosure website at <https://adviserinfo.sec.gov/firm/summary/123636>. For up-to-date information and to request a copy of the relationship summary, we can be reached by phone at 206-267-2683.

**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?*