

FORM CRS – CUSTOMER RELATIONSHIP SUMMARY

For use by a FP who is a RR of the BD & may also be an IAR of IPL

I. Introduction

Innovation Partners LLC (IPL) is registered with the Securities and Exchange Commission (SEC) as a securities broker/dealer, a member of the Financial Industry Regulatory Authority (FINRA) and is registered with the SEC as an investment adviser. Broker-dealers and investment advisers are distinct entities whose services and fees differ, and it is important for you to understand these differences. For more information, access investor.gov/CRS, a site that contains tools providing research on firms and financial professionals (FPs). We also will refer to IPL alternately as “we”, “us” and “our”.

II. What investment services and advice can you provide me?

Brokerage Services: IPL offers these services to include, but are not limited to, buying and selling securities, including mutual funds, variable annuities and life insurance, unit investment trusts, 529 plans, alternative investment products, and retirement plan consulting services and products. Brokerage services are transacted directly with an investment sponsor, with your financial account and the assets inside held directly with the investment sponsor or its designated custodian. Certain Qualified (Retirement) Plans may also provide access to other securities products, such as stocks, bonds, ETFs, etc.

One of IPL’s obligations to you when providing brokerage services is that we must act in your best interest and not place our interest ahead of yours when we recommend an investment or an investment strategy involving securities. Additionally, when we provide any service to you, we must treat you fairly and comply with a number of specific obligations. However, our interests may conflict with your interests. When we provide recommendations, we must eliminate, mitigate or inform you of these conflicts, depending on the nature of the conflict.

IPL’s brokerage services cover a specific selection of investments, and other firms could provide a different array of investment choices, some of which might have different costs. When you use IPL for brokerage services, you will pay a transaction-based fee, generally referred to as a commission, every time you buy, and occasionally when you sell, an investment. You may select investment choices, or we may recommend investments for your account, but the ultimate investment decisions are yours. We are not required to monitor your portfolio or investments on an ongoing basis. However, we may voluntarily, and without any agreement with you, review the holdings in your account for the purposes of determining whether to provide you with a recommendation. This voluntary review is not considered “account monitoring”.

Advisory Services: IPL offers advisory services which include, but are not limited to, discretionary and non-discretionary investment advisory services, “wrap-fee” programs (accounts where a single fee is paid for advisory services and trading costs), third-party advisory services, retirement plan & other consulting services, and financial planning. Proprietary investment management programs offered through IPL, invest in mutual funds, ETFs, stocks, bonds and other securities. IPL does not offer any special incentives for using proprietary programs.

When providing advisory services, we are held to a fiduciary standard that encompasses our relationship with you. As fiduciaries, investment advisers are obligated to act in the best interest of the client and not place their own interests ahead of the client’s. However, at times our interests might conflict with yours.

There are different types of advisory accounts, generally labelled either “discretionary” or “non-discretionary”. In discretionary accounts, you give your financial professional or an investment manager the authority to buy and sell securities, either unrestricted or with certain pre-defined restrictions, without asking you in advance. This authority will need to be granted in writing prior to being exercised. For discretionary accounts, investment monitoring is offered as part of our standard services and is provided at least annually.

In non-discretionary accounts, you make the ultimate decisions regarding the purchase/sell of securities, based on the advice provided by your financial professional. Investment advice will be provided based on services previously agreed to by both parties. Investment monitoring is also provided on at least an annual basis. When engaging IPL for advisory services, you will pay an ongoing asset-based fee for our services. When using us for financial planning and consulting, the amount and timing of fees will be agreed to between you and your financial professional. Please see The Firm’s *Advisory Services Contract* for more details.

Our investment advice only covers investments that are allowed in each advisory program, and some firms could provide advice on a wider range of choices.

CONVERSATION STARTERS: Questions to ask your financial professional

- **Given my financial situation, should I choose an investment advisory service or should I choose a brokerage service? Should I choose 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?**

ADDITIONAL INFORMATION: Visit investor.gov, our website (innovationpartnersllc.com) and, if applicable, any account agreement(s). For additional information on advisory services, see our Form ADV brochure on IAPD, on investor.gov or on our website and any brochure supplement that your FP provides. Additionally, you can request up-to-date information and/or a written copy of Form CRS by calling IPL 704-708-5461. If you have a problem with your investments, account or financial professional, contact us in writing at the address listed above.

III. What fees will I pay?

Fees and costs affect the value of your account over time. Ask your financial professional to give you information on the fees and costs you will pay specifically.

Brokerage Services Fees:

For brokerage services, you are charged fees and costs on your transactions through IPL as follows:

- **Product Commissions**—a transaction-based service charge generally applied by the product sponsor, a portion of which is paid to your financial professional. These charges generally occur at time of purchase but may on occasion be charged at time of sale or on annual basis. Please read the product disclosure documents for more specific details.
- **Account fees:** charged by a custodian and generally not paid to a financial professional



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Since there are transaction-based charges provided in our Brokerage Services offerings, we have an incentive to encourage you to trade often. In addition, you may be assessed fees and costs on your account and investments for a

variety of other services that might be provided, including, but not limited to: custodian fees, account maintenance fees, and fees related to underlying products owned. Additionally, fees will vary.

Advisory Services Fees:

For most advisory accounts, you will pay an ongoing recurring fee based on the value of cash and investments in your advisory account. The more assets there are in your account, the more you pay in fees, creating an incentive to increase the assets in that account. However, the amount paid to IPL and your financial professional does not vary based on the type of investments in your account. You will pay these previously agreed upon 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. Some fees vary and are negotiable. The amount you pay will depend on the services you receive and on the amount of assets in your account. For additional details on how fees are calculated, refer to your Advisory Services Contract and any other disclosures specific to your advisory account.

CONVERSATION STARTERS: Questions to ask your financial professional.

- **Help me to 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?**

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IV. What are your legal obligations 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 a recommendation as your broker-dealer or act as your investment adviser, we must act in your best interest and not put our interests 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.

As you work with your financial professional to determine the right investments and services to achieve your goals, you should understand how we are compensated, because various forms may engender potential conflicts of interest, and it is important for you to evaluate potential conflicts when making investment decisions. Here are some examples:

- Commissions or other compensation related to one financial services provider, product, investment or service may be higher than commissions or other compensation related to a comparable provider, product, investment or service. These higher rates of compensation could provide incentives to us and our financial professionals to recommend those with higher compensation over those with lower.
- Products or services which provide revenue to us could indirectly provide incentives to financial professionals to recommend such products over those that do not offer revenue to us.

It is important to note that while we will take reasonable care in making recommendations to you, securities do involve risk, and you may lose money. There is no guarantee that you will meet your investment goal or that our recommended investment strategy will perform as anticipated. Please consult any offering documents for a discussion of risks associated with any recommended products.

CONVERSATION STARTERS: Questions to ask your financial professional.

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

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V. How do your financial professionals make money?

Our financial professionals can offer various types of advisory and brokerage programs, platforms and services, and can earn more or less depending on which one is recommended. They are also compensated in a variety of ways, and the compensation can be based on one or many factors, such as the amount of assets they service and/or products that they sell, product sales commissions, or the product sold (i.e. differential compensation). Commission-based financial professionals are compensated solely through commissions. In contrast, fee-based FPs charge an asset-based or flat fee directly to their clients for their services. This fee can be structured in multiple ways based on a negotiated agreement. FPs that offer both brokerage and advisory services can be compensated as commission- or fee-based depending on the type of products or services offered.

Our FPs may have conflicts of interests beyond those disclosed by us and will disclose, when appropriate, any additional material conflicts of interest no later than the time of recommendation.

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

Yes, we have disciplinary events. Visit investor.gov/CRS for a free and simple search tool to research us and our FPs.

Conversation Starter:

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

VII. Additional Information

For additional information about our services, please visit investor.gov, BrokerCheck (brokercheck.finra.org), our website (www.innovationpartnersllc.com) and, if applicable, any account agreement(s). For additional information on advisory services, see our Form ADV brochure on IAPD, on investor.gov or on our website and any brochure supplement that your FP provides. Additionally, you can request up-to-date information and/or a written copy of Form CRS by calling IPL at 704-708-5461. To report a problem to the SEC, visit investor.gov or call the SEC's toll-free investor assistance line at (800)732-0330. To report a problem to FINRA, call (301)590-6500. If you have a problem with your investments, account or FP, contact us in writing at: Innovation Partners LLC, 5450 Fairview Rd, Ste. 140, Charlotte NC 28210.

Conversation Starter: Questions to ask your financial professional.

- **Who is my primary contact person? Is 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?**