



CUSTOMER RELATIONSHIP SUMMARY

FORM ADV PART 3: FOR PERSONAL, FAMILY AND HOUSEHOLD INVESTORS

May 5, 2020

Introduction:

Proficio Capital Partners is registered with the Securities and Exchange Commission (SEC) as an investment adviser.

Free and simple tools are available:

Brokerage and investment advisory services and fees differ, and it is important for you to understand these differences. Research firms and financial professionals 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?

We offer **discretionary** investment advisory services to high-net worth individuals and their families in accordance with an investment process based on your personal and family situation, your current level of taxation, risk tolerance and your other investments. We apply quantitative and derivative experience to addressing your investment needs and may create customized hedges or other sophisticated transactions to address your specific portfolio issues. We also offer investment advice limited to segments of your portfolio (for example a fixed income-only portfolio). This advice may involve **discretionary** decisions and directives that **you provide** to us. We offer access on a **non-discretionary** basis to pooled vehicles we form to invest in individual, illiquid investments as well as pre-screened opportunity zone investments. We monitor your portfolio and our investment committee meets frequently to discuss and react to market conditions. **For additional information**, please see our Form ADV, Part 2A brochure, Items 4 and 7.

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?*
 - See: <https://proficiocap.com/the-executive-team/#executives>.
- *What do these qualifications mean?*

What fees will I pay?

For its standard discretionary advisory services, Proficio charges **asset-based** management fees in arrears of up to 0.25% per quarter (1.0% per annum) of your account balance calculated as of the last business day of each quarter. For non-discretionary advisory services, we may charge an additional annual performance allocation or fee of 10% of the net realized and unrealized capital appreciation measured over an agreed upon period (generally when the instrument provides a return or matures) and payment may depend on achieving a target or hurdle. If you invest in the insurance dedicated fund sub-advised by us, the fee varies depending on the share class from nothing to 0.50% per annum up to (for share class A-3) 1.00% per annum plus an annual incentive fee of 10% of net new profits as of the last calendar day of the year. For unique investment strategies the fee is negotiable. *The more assets you have in your account, the more you will pay in fees.*

In addition to our fees, you will also pay custodial fees, brokerage fees and fees related to the underlying investment. For example, if we invest your money in a hedge fund, you will pay the hedge fund's fees in addition to our fee.

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.



CUSTOMER RELATIONSHIP SUMMARY (*Continued*)

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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? Our fees and other costs when compounded over time reduce your return and the total value of your portfolio. For example: a \$1m portfolio with a 1% annual advisory fee that generates 6% annually for 10 years will generate \$619,610.56 and pay \$171,237.14 in advisory fees. Without the 1% advisory fee your portfolio would have generated \$790,847.70.

What are your legal obligations to me when acting as my investment adviser?

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.

How else does your firm make money and what conflicts of interest do you have?

You should understand and ask us about these conflicts because they affect the recommendations, we provide you.

- We do not receive third party payments or enter into revenue sharing arrangements. We make money charging investment advisory fees.
- We have conflicts of interest. Here is a material example:
 - We manage accounts for clients and our families. We manage this potential conflict of interest by making every effort to trade all accounts at the same time and take other steps to ensure all accounts receive the same or substantially similar prices for the same security.

How do your financial professionals make money?

Firm principals receive a percentage of profit. All other employees receive salary and bonuses when appropriate.

Do your financial professionals have legal or disciplinary history?

Neither Proficio nor its employees have any history of legal or disciplinary action. Your relationship / portfolio manager will be decided and agreed by your family and us upon signing of the Investment Management Agreement. At any time, if you have concerns about Proficio's treatment of you or your family, please reach out to our Chief Compliance Officer.

Conversation Starters:

- *As a financial professional, do you have any disciplinary history? For what type of conduct? Who is my primary contact person? Is he or she a representative of an investment-adviser or a broker-dealer?*
 - Additional Information: For additional information about our services please see our Form ADV <https://www.adviserinfo.sec.gov/Firm/269931>.
- If you would like additional, up-to-date information or a copy of this disclosure, please contact Peter Kronberg, Chief Compliance Officer, at (617) 431-5106
 - *Who can I talk to if I have concerns about how this person is treating me?*
 - Please contact, contact Peter Kronberg, Chief Compliance Officer, at (617) 431-5106