



Rainwater Equity LLC (“REQ”, “we”, “our”, “us”) is an investment adviser registered with the U.S. Securities and Exchange Commission. Services and fees offered by investment advisory firms like REQ differ from those offered by brokerage firms. We believe it is important for retail investors (“you”, “your”) to understand the differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://Investor.gov/CRS), which also provides educational materials about investment advisers, broker-dealers, and investing.

**What investment services and advice can you provide me?**

**Description of Services:** We offer investment advisory services through separately managed accounts, private funds, and a registered exchange-traded fund (“ETF”). The principal investment advisory service we offer to retail investors is through a separately managed account. There are no material limitations on our services, although we typically manage your portfolio in accordance with our overall investment style, which involves long-term investing in equity securities within concentrated portfolios. We manage client investment portfolios on a discretionary basis, which means we buy and sell investments of our choosing in your account without asking your permission in advance. You may impose reasonable restrictions on our investment advice.

**Monitoring:** As part of our standard investment advisory services, we are responsible for ongoing portfolio management, monitoring, and compliance with your investment objectives.

**Account Minimums and Other Requirements:** At the start of the relationship, we require you to sign a written investment management agreement which authorizes us to manage your investments. The minimum account size to open a separate account is \$1,000,000 which may be waived at our discretion.

**Additional Information:** More detailed information about our investment services is included in Items 4, 7, and 13 of our Form ADV Part 2A, available at <https://adviserinfo.sec.gov/firm/summary/333696>.

*“Conversation Starters” represent questions the SEC thinks you should consider asking your financial professional.*

**Conversation Starters** – ask REQ:

- Given my financial situation, should I choose investment advisory 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?**

For our investment advisory services, you will pay us an asset-based fee. Our standard annual fee for separate accounts is 1.50% of the net assets in your account. Because we charge an asset-based fee, the more assets there are in your account, the more you will pay us in fees. Therefore, we have an incentive to encourage you to increase the assets in your account. You will also pay any commissions, transaction fees, custodial fees, and other related costs and expenses that are charged by trade counterparties or custodians.

You will also pay the operating expenses of any ETFs or mutual funds held in your portfolio. Our investment advisory fees are billed quarterly in advance based upon your account's asset value at the end of the quarter and are pro-rated for partial periods. **You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce the amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. More information about fees and costs are included in your written agreement and Items 5 and 12 of our Form ADV Part 2A, available at <https://adviserinfo.sec.gov/firm/summary/333696>.**

**Conversation Starters** – ask REQ:

- 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?***

*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 examples to help you understand what this means. The following situations incentivize us to make investments for you based on our own interests rather than on your needs. We may invest your money in investments, including pooled investment vehicles, that are issued, sponsored, or managed by us. We receive compensation based on the performance of our private funds, which gives us an incentive to favor our private funds over your separate account. We invest personally in the same (or related) securities that we recommend to you, often at or about the same time we buy or sell the same securities for our own accounts. This gives us an incentive to favor our own accounts over your account.*

**Conversation Starters** – ask REQ:

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

Read our Form ADV Part 2A (Items 5, 6, 11, 12, 17) at <https://adviserinfo.sec.gov/firm/summary/333696>, to learn more about potential conflicts and how we address them.

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

Our Principal is entitled to the profits of the business. Therefore, his compensation increases as our assets under management increase. He is also eligible to receive performance-based fees from our private funds, which gives him an incentive to favor our private funds over your account.

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

Yes. Please visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research the firm and our financial professionals.

**Conversation Starters** – ask REQ:

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

**To obtain additional information about our services or an up-to-date copy of this Client Relationship Summary, please contact us at (310) 492-3333 or [investors@rainwatereq.com](mailto:investors@rainwatereq.com).**

**Conversation Starters** – ask REQ:

- 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?