



Introduction

CoreCap Investments, LLC (“CoreCap” or “We”) is registered with the Securities and Exchange Commission (“SEC”) as a broker-dealer and is a member of the Financial Industry Regulatory Authority (“FINRA”) and the Securities Investor Protection Corporation (“SIPC”). Brokerage and investment advisory 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 www.Investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisors, and investing.

What investment services and advice can you provide me?

We offer brokerage services to retail investors, including buying and selling securities. CoreCap primarily offers products such as mutual funds, variable insurance products, equities, bonds, and options amongst other products. We are not a broker-dealer that holds customer funds, but we provide a more “hands-on” service than is often available to small and medium-sized retail investors from large broker-dealers, also called wire houses, like our clearing broker RBC Correspondent Services, Inc., a division of the Royal Bank of Canada. You will have your own Registered Representative (“RR”), a licensed professional in the securities industry, who is required to act in your best interest. He or she will make recommendations for possible investments in your account and will periodically monitor it as frequently as quarterly, particularly in periods of volatility in the markets. We do not offer any proprietary products and do not generally limit the products your RR can recommend to you, except where we have deemed certain complex products not to meet the risk profile of our customers. We do not offer discretionary accounts through our broker-dealer because we have an affiliate that is a registered investment advisor as such our RRs do not have discretion to place trades in your account without your authorization.

For additional information, please see the rest of this form and your account documents. You may also find further information about this firm and your RR at www.Investor.gov/CRS or www.BrokerCheck.com.

Conversation Starters. Ask your RR questions like:

- ❖ **Given my financial situation, should I choose a brokerage account? Why or why not?**
- ❖ **How do you choose investments to recommend to me?**
- ❖ **What is your relevant experience? What licenses and education, and other qualifications do you have? What do these licenses and qualifications mean?**

What fees and other charges will I pay?

CoreCap clients generally pay a commission, which will generally range from 1 to 2.5% of the principal of the trade for each trade made in their account. This is a general commission schedule and each RR may choose to charge outside of this general range. The range varies depending upon the price of the underlying security and the quantity of the order. When you buy securities directly, such as when you buy an annuity from an insurance company, you do not pay a commission, but the insurance company will pay your RR a percentage of the premium paid, which it will recover from what they call “surrender charges” if you liquidate your annuity before these charges expire. Some mutual fund shares have up-front charges, usually 5% or less depending on the size of your purchase, and some others have expiring contingent sales charges for early sales. You should discuss how long you plan to hold mutual fund shares with your RR to make sure that you buy the type of shares right for you. Our clearing broker, RBC, may charge you a fee for opening or closing certain types of accounts, such as an IRA or an inactive account.

You should know that you will pay these fees and costs whether your investments increase or decrease in value. Fees and costs will, of course, reduce the amount of money you make on your investments over time. For that reason, it is very important that you understand what fees and costs you are paying. If you don’t, ask your RR or call CoreCap at 888-296-3360 and ask for Operations.

For additional information, please see the CoreCap website under Important Disclosures, the remainder of this document, ask your RR, or call CoreCap at 888-296-3360 and ask for Operations.

Conversation Starters. Ask your RR questions like:

- ❖ **Help me to understand how these fees and costs might affect my investments. If I give you \$10,000 to investment, 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? How else does your firm make money and what conflicts of interest do you have?

When we provide you with a recommendation, 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 affect the recommendations we provide you. Here are some examples to help you understand what this means.

- ❖ Some annuities and mutual funds may pay a higher commission to a RR than others. This could cause a RR to recommend a higher commission annuity rather than a lower cost annuity that might be equally or more suitable for you.
- ❖ Because a RR's commission is based on the size of your order, he or she may have a conflict in recommending that your order be larger in order to increase the commission to your RR.
- ❖ An individual who is registered as both a RR and an investment advisor representative may make more money depending on the type of account – brokerage or advisory - he or she recommends to you.

CoreCap has implemented compliance policies and procedures intended to mitigate or eliminate these and any other conflicts of interest which might impact your account. CoreCap attempts to mitigate and eliminate some conflicts of interest by not offering proprietary products, not being involved in third party payments, not participating in revenue sharing, and not partaking in principal trading.

Conversation Starters. Ask your RR questions like:

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

For additional information, please see the remainder of this document, and your account forms and welcome letter.

How do your financial professionals make money?

CoreCap's RRs are compensated based upon a percentage of the fees and commissions they charge; this is called the "grid." The percentage which the RR gets paid varies from 50% to 96%, based upon such factors as industry experience, number of clients, and commissions earned. We do not pay higher percentages for the sale of any particular product and do not require sales of any specific products. CoreCap does not provide signing bonuses to new RRs.

Do your financial professionals have legal or disciplinary history?

Yes. In order to find out if your financial professional has disciplinary or legal history, you may go to www.Investor.gov/CRS or www.BrokerCheck.com. Both of these are free and simple search tools to research us and our financial professionals.

Conversation Starters. Ask your RR questions like:

- ❖ **As a financial professional do you have any disciplinary history? For what type of conduct?**
- ❖ **How long ago was that conduct and what penalties, if any, did you receive for it?**

Additional Information

For additional information about our services, please see our website at www.corecapinv.net. You should also check www.Investor.gov/CRS and www.BrokerCheck.com for information about our firm and our financial professionals. If you would like additional up-to-date information or a copy of this form, please call 888-296-3360 or email info@corecapinv.com.

Conversation Starters. Ask questions like:

- ❖ **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?**