

Freestone

CUSTOMER RELATIONSHIP SUMMARY (“FORM CRS”)

Freestone Capital Management, LLC (“Freestone,” “us,” “we,” or “our”), or our predecessor company Freestone Capital Management, Inc., has been registered with the Securities and Exchange Commission (“SEC”) as an investment adviser since 1999. Brokerage and investment advisory services and 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 [Investor.gov/CRS](https://www.investor.gov/crs), which also provides educational materials about broker-dealers, investment advisers, and investing.¹

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| <p>What investment services and advice can you provide me?</p> | <p>We provide ongoing wealth management and investment advisory services to retail (and non-retail) clients on a discretionary or non-discretionary basis, typically through managed accounts. We and our affiliates also advise several privately offered pooled investment vehicles (“Freestone Funds”). We do not require a minimum account size, though in general we seek advisory clients that desire to establish an advisory relationship with us involving at least \$1,000,000, or at least \$500,000 for advisory clients referred to us through the Charles Schwab Advisor Network referral service.</p> <p>In most cases, as part of our standard services, we review your financial goals and objectives at least annually in an effort to assure proper asset allocation. We also regularly monitor securities held in strategies managed internally by us. We manage your assets using a combination of one or more of the following investment solutions: internally managed model portfolios developed by us, externally managed model portfolios and strategies developed and managed by sub-advisers not affiliated with us, and alternative investments (investments in Freestone Funds and/or funds not managed or controlled by our affiliates or us). In addition, we offer financial planning and wealth management services in conjunction with our advisory services and generally do not charge a fee for such services.</p> <p>We manage most assets on a discretionary basis, meaning we have investment control to implement the investment plan we have developed with you without obtaining your consent prior to making a trade or allocation. In all cases, however, we will only exercise discretion in a manner consistent with your financial goals and objectives. You must provide investment guidelines and restrictions to us in writing. We also manage assets on a non-discretionary basis, which means the you make the ultimate decision regarding the purchase or sale of investments. Any investment in Freestone Funds is made on a non-discretionary basis. We do not limit our investment offerings to only investments issued, sponsored, or managed by us or our affiliates. We do not seek to offer products that are necessarily the least expensive.</p> <p>For additional information, please see our Form ADV, Part 2A brochure (Items 4 and 7).</p> <p>Conversation Starters. Ask your financial professional:</p> <ul style="list-style-type: none"> • 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? |
| <p>What fees will I pay?</p> | <p>In general, we charge an asset-based annual management fee based on the amount of your assets that we manage or advise. We assess management fees quarterly. We typically calculate management fees based on the value of your account(s) on the last day of each quarter and fees are payable in advance or arrears. In general, we charge new advisory clients a minimum annual management fee of \$6,000 (which we waive occasionally in our sole discretion). Advisory clients referred to us by Charles Schwab typically are subject to a lower minimum annual fee of \$4,000. The minimum annual fee will not apply to the calendar year in which you become a Freestone client. Many existing advisory clients are subject to a different minimum fee amount or no minimum fee amount. You will also be responsible for management fees charged by third-party sub-advisers who manage certain strategies offered by our firm. With an asset-based fee, the more assets you have in your account(s), the more you will pay in fees, and we therefore have an incentive to encourage you to increase the assets in your account.</p> <p>We occasionally charge an hourly fee or flat fee for advice regarding investments or related financial or wealth planning. Hourly/flat fees are negotiated on an individual basis. The financial planning and wealth management services we provide are in conjunction with our investment advisory services, and we generally do not charge additional fees for any of these services.</p> <p>Investors in our Freestone Funds, or any other private fund, will generally pay (subject to each fund’s offering documents) an annual management fee, a performance-based fee or allocation, and an additional asset-based services fee. Investors are also responsible for their proportional share of the fund’s operating expenses and other costs of the fund (such as formation costs, due diligence costs, legal fees and fees of other advisers, auditing expenses, custodial fees, brokerage commissions, fees and expenses of mutual funds, etc.). Charging a performance-based fee could create an incentive for us to recommend riskier or more speculative investments or to generally recommend investments in Freestone Funds. We have procedures to mitigate these conflicts.</p> |

¹This disclosure is provided to comply with the SEC’s Form CRS disclosure requirements. It does not create or modify any agreement, relationship, or obligation between Freestone Capital Management, LLC (or your client advisor). Please consult your Freestone agreements for all terms and conditions controlling your account and relationship with us.

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| | <p>You are responsible for all fees and expenses incurred by or arising in connection with your account and the activity in your account, including without limitation custodial fees, brokerage commissions, fees and expenses charged by mutual funds and exchange-traded funds, trade-away fees, clearing fees, collateral requirements, interest and taxes. 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.</p> <p>For additional information, please see our Form ADV, Part 2A brochure (Items 5.A., B., C., and D.). For ERISA clients, also see our ERISA 408(b)(2) disclosure.</p> <p>Conversation Starter. Ask your financial professional:</p> <ul style="list-style-type: none"> • 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? |
| <p>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?</p> | <p>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.</p> <p><u>Proprietary Products</u>: Freestone and its affiliates receive additional compensation from products we issue, sponsor, or manage, known as proprietary products. The Freestone Funds are an example of proprietary products. This creates an incentive for us to recommend proprietary products over third-party products.</p> <p><u>Principal Transactions</u>: We have engaged in principal transactions in the past and it is likely we will occasionally engage in one-off principal transactions in the future. We do not engage in principal transactions on an ongoing basis as part of conducting our business activities. Such transactions create conflicting division of loyalties and responsibilities to you in a principal transaction, including whether to enter into a principal transaction as well as valuation, pricing and other terms. If engaging in a principal trade, we seek client consent prior to the transaction, as required by applicable law.</p> <p><u>Other Conflicts</u>: We typically require you to open brokerage/custodial accounts at Charles Schwab or Fidelity Brokerage Services (and their affiliates). We do not receive compensation directly for recommending Charles Schwab to advisory clients, though we do receive indirect economic benefits from Charles Schwab or Fidelity Brokerage Services, including client referrals, access to technology, sponsorships and other monetary and non-monetary items. Therefore, we have an incentive to encourage you to maintain custody of your accounts and assets at Charles Schwab or Fidelity Brokerage Services.</p> <p>Conversation Starter. Ask your financial professional:</p> <ul style="list-style-type: none"> • How might your conflicts of interest affect me, and how will you address them? <p>For additional information, please see our Form ADV, Part 2A brochure (Items 4, 5, 6, and 11).</p> |
| <p>How do your financial professionals make money?</p> | <p>Most of our client advisers are paid based a percentage of the management fee revenue we receive from you, though some client advisers are paid a salary and bonus in lieu of a revenue share. Client advisers who have an equity interest in Freestone will derive indirect benefits from performance-based fees or allocations received by our affiliates. In addition, the primary activity of one or more of our employees is to solicit prospective clients. These employees receive one-time bonuses and ongoing payments for a specified period based on the amount of new client assets successfully solicited. In connection with insurance products, we receive commission payments from the sale of life and disability insurance products that we recommend in connection with financial planning services, and we may also receive monitoring fees from insurance brokers that sell insurance products to our clients. A portion of these commissions and monitoring fees are generally shared with the Freestone client advisor and financial planning personnel involved in the process, assuming the individuals are properly licensed.</p> |
| <p>Do you or your financial professionals have legal or disciplinary history?</p> | <p>No. Visit Investor.gov/CRS for a free and simple search tool to research us and our financial professionals.</p> <p>Conversation Starter. Ask your financial professional:</p> <ul style="list-style-type: none"> • As a financial professional, do you have any disciplinary history? For what type of conduct? |
| <p>Additional Information</p> | <p>For additional information about our services or if you would like additional, up-to-date information about our services or a copy of this disclosure, please call (206) 707-7300 or (800) 990-3001 or email Compliance@FreestoneCapital.com.</p> <p>Conversation Starter. Ask your financial professional:</p> <ul style="list-style-type: none"> • 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? |