

REGULATION BI FORM CRS RELATIONSHIP SUMMARY

1. INTRODUCTION

Carver Edison Capital LLC (“CEC”) is registered with the Securities & Exchange Commission as a broker-dealer that provides brokerage accounts and services. CEC is a member of FINRA and the SIPC. Brokerage and investment advisory services and fees differ; it is important for you to understand the 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 advisers, and investing.

2. WHAT INVESTMENT SERVICES AND ADVICE CAN YOU PROVIDE ME?

Cashless Participation® Services

- CEC serves as introducing broker for brokerage accounts that are used to offer Cashless Participation services to those account holders who elect to participate in the Cashless Participation program in connection with an employee stock purchase plan (ESPP) or other equity incentive plan offered by the account holder’s employer. Cashless Participation is a registered trademark of Carver Edison, Inc. and used with permission.

Brokerage and Investment Banking

- CEC mainly provides brokerage services for employees of public companies via ESPP’s.
- We have requirements for opening accounts, including but not limited to new account forms, investor questionnaires, client agreements, Form CRS, etc.

Questions to ask: This will depend on the service.

- *Given my financial situation, should I choose a brokerage 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?*

3. FEES, COSTS, CONFLICTS, AND STANDARD OF CONDUCT

3A. What Fees Will I Pay?

You may 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.

Cashless Participation:

- The terms of your participation in the Cashless Participation program are set forth in the documents you executed to participate in the program. If related to an ESPP, pursuant to those documents you agree to repay any Cashless Participation advance by remitting a certain number of shares of stock you acquire under the ESPP on a purchase date (Repayment Shares), which Repayment Shares may have a fair market value in excess of the Cashless Participation advance. There will not be any other fees or commissions charged to you in connection with your participation in the Cashless Participation program.

Brokerage Services (other than Cashless Participation services):

- The fee you pay is based on the specific transaction and not on the value of your account.
- With stocks, listed bonds, options or exchange-traded funds, the fee is usually a separate commission. With other investments, such as bonds, this fee may be part of the price you pay for the investment (called a mark-up or mark-down). With mutual funds, a fee typically called a load reduces the value of your investment. Mutual funds also charge annual management fees which vary depending on the fund. With certain investments such as variable annuities, you may have to pay fees such as surrender charges to sell the investment, reducing the value of your investment.
- We may charge you additional fees such as custodian fees, account maintenance fees, and account inactivity and account closure fees.
- The more transactions in your account, the more fees we will charge you, unless you choose to have your account managed, where you would be charged a management fee.
- Clients will pay various fees when executing transactions through CEC, in addition to the above there could be ticket charges, account handling fees, commissions, third party advisory fees, etc.
- Clients of CEC, depending on their requirements, may or may not be charged transaction-based fees.

Questions to ask: This will depend on the product.

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?

3B. 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?

Brokerage and Investment Banking

In conducting its securities business, CEC may make recommendations to its clients and prospective clients to purchase certain securities. When we make such recommendations, 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 recommendations we provide you. We always have to act in your best interest and not put our interest ahead of yours.

- Proprietary products are investments that are issued, sponsored, or managed by our firm or our affiliates. We and our affiliates make money on proprietary products which may be similar to non-proprietary products which may cost less.
- We may buy and sell your investment through our own accounts (called “acting as principal”) and we can earn a profit on these trades.
- We can make extra money by selling you certain investments either because they are managed by someone related to our firm or because they are offered by companies that pay our firm to sell their investments. Your financial professional also receives more money if you buy these investments.
- We will receive consideration in connection with the Cashless Participation program (a) related to ESPPs, if on any ESPP purchase date the Repayment Shares have a fair market value in excess of the Cashless Participation advance; and (b) related to other equity incentive plans, based on any agreement we have with the employer/sponsor.

Questions to ask:

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

3C. How do your financial professionals make money?

Cashless Participation:

- Certain CEC registered representatives will receive a salary, and may receive additional consideration directly or indirectly from CEC, related to the offering of the Cashless Participation services.

Brokerage and Investment Banking:

- CEC registered representatives charge a commission on equity and fixed income trading, which will be disclosed on the confirm.
- Other CEC registered representatives will receive fees and potentially underwriter’s warrants on investment banking transactions and trailing commissions based on value of variable annuities and assets placed in alternative investments such as hedge funds.

4. DO YOU OR YOUR FINANCIAL PROFESSIONALS HAVE LEGAL OR DISCIPLINARY HISTORY?

Yes. Visit www.investor.gov/CRS for a free and simple search tool to research us and our financial professionals.

For additional information about our brokers and services, visit <https://brokercheck.finra.org/>, our web site www.firstlibertiesfinancial.com and refer to your account agreement.

Questions to ask:

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

5. ADDITIONAL INFORMATION

- You may find additional information about our brokerage services at our website www.carveredison.com.
- You may request a copy of the Form CRS Relationship Summary by contacting your investment professional or compliance@firstlibertiesfinancial.com. You may also call **833-438-3777** for a copy or to request up-to-date information.

Questions to ask:

Who is the primary contact person for my account? Is he or she a registered representative of a broker-dealer? If I have concerns about how this person is treating me, who can I talk to?