

**Salem Partners, LLC October 19, 2023**  
**CUSTOMER RELATIONSHIP SUMMARY (Form CRS)**

Salem Partners LLC (“SP”) is a broker-dealer with the Securities and Exchange Commission and is a member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investor Protection Corporation (SIPC). SP’s affiliate, Salem Partners Wealth Management (“SPWM”), is an SEC-registered Investment Advisor. Brokerage and investment advisory services and fees differ, and it is important for you to understand these differences. Investment advisory services and fees are explained in detail in SPWM’s Form ADV, Part 2A, Brochure and SPWM’s Form CRS on our website:

[https://www.salempartners.com/uploads/5/2/4/6/52466757/3.31.23\\_spwm\\_brochure\\_and\\_supplement.pdf](https://www.salempartners.com/uploads/5/2/4/6/52466757/3.31.23_spwm_brochure_and_supplement.pdf)

[https://www.salempartners.com/uploads/5/2/4/6/52466757/form\\_crs\\_disclosure\\_statement\\_3.31.23.pdf](https://www.salempartners.com/uploads/5/2/4/6/52466757/form_crs_disclosure_statement_3.31.23.pdf)

Free and simple tools are available to research firms and financial professionals at [www.Investor.gov/CRS](http://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?”**

SP conducts two types of business: 1) private placements of securities and 2) financial advisory services to companies and others in connection with transactions, including mergers and acquisitions. Regarding private placements of securities, SP may occasionally recommend a private placement to a “retail customer.” There may be a minimum investment for these offerings. All retail customers who are also accredited investors are provided with an Investor Suitability questionnaire, an AML notice, and the offering documents. We do not have customer accounts, so no monitoring or discretionary authority exists. Ultimately, the retail investor decides to participate in the purchase of a private offering.

**Questions to Ask:** *“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?”*

**“What fees will I pay?”**

When a retail accredited customer invests in a private placement, they do not pay a fee directly to SP. SP makes money on private placements through a transaction fee provided by the company, typically 5% of the gross amount of any debt or equity securities of the offering. In addition, the company reimburses SP monthly for its reasonable out-of-pocket travel and other expenses.

“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.”

**Questions to Ask:** *“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 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 can affect the investment advice we provide you. Here are some examples to help you understand what this means.”

SPWM is a related entity under common control and shares the same physical location. Clients of SPWM may express interest in Private Securities offerings by SP and participate if they meet the private investments guidelines. Although SPWM does not charge a fee on the private placement and SP does not charge the client directly for their investment, SP does receive a fee from the company on the total amount raised and sometimes non-cash compensation such as warrants. The offering documents disclose SP receiving payments for the Reg D Private Placement offering.

Our website explains other financial industry activities and affiliations in SPWM’s Form ADV, Part 2A, Brochure, and SPWM’s Form CRS.

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**Questions to Ask:** *“How might your conflicts of interest affect me, and how will you address them?”*

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

A salary and a discretionary bonus compensate our junior bankers. The discretionary bonus is based on the time, complexity, and expertise required to help you with our services. A salary, recoupable against contingent compensation, compensates our senior bankers. What they earn is not directly based on the firm’s total revenue.

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

Yes. We encourage our clients to visit [www.investor.gov/crs](http://www.investor.gov/crs) for a free and simple search tool to research us and our financial professionals.

**Questions to Ask:**

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

**“Where can I find Additional Information?”**

For additional, up-to-date information about our brokerage services, or investment advisory services or a copy of this disclosure, our SPWM’s Form ADV 2A brochure or Form CRS, please reach out to us at 310.806.4213 Goli Kamangar [gkamangar@salempartners.com](mailto:gkamangar@salempartners.com).

**Questions to Ask:**

*“Who is my primary contact person? Is he or she a representative of an investment advisor or a broker dealer? Who can I talk to if I have concerns about how this person is treating me?”*