

A Summary of Your Advisory Relationship with CARLSON CAPITAL MANAGEMENT, LLC **FORM CRS-ADV Part 3**

CARLSON CAPITAL MANAGEMENT, LLC (“CCM,” “we,” “our,” or “us”) is registered with the Securities Exchange Commission (“SEC”) as an “investment adviser.” Our services and compensation structure differ from that of a registered broker-dealer and it is important for you to understand the differences. We encourage you to reference tools that are free and simple to use in order to research firms and financial professionals at www.investor.gov/CRS. The site also provides educational materials about broker-dealers, investment advisors, and investing. The SEC requires that the information below be provided to you and is intended to provide conversation starters for you to have with us. We welcome these conversations and any additional questions you may have.

WHAT INVESTMENT SERVICES AND ADVICE CAN YOU PROVIDE ME?

CCM provides discretionary investment management and financial planning services as part of our Integrated Wealth Management offering for individuals and families. We manage client portfolios based on understanding our clients’ investment objectives and other special circumstances. We monitor client portfolios using a toolbox of analytical tools and judgment consistent with your wishes. We make adjustments as we determine necessary and in alignment with your stated objectives.

CCM typically manages portfolios on a discretionary basis, which means we have the authority to buy and sell investments in your account without speaking to you prior to doing so. You can place reasonable restrictions on the securities that we buy by notifying us, in writing. We do not limit the scope of the universe of securities that we use in managing client accounts, and may use equity securities, fixed income securities, mutual funds and exchange traded funds (ETFs).

CCM generally requires a minimum investment (currently \$1,000,000 in cash or securities) that can be deposited with an independent, qualified custodian or broker-dealer in order to provide Integrated Wealth Management services. Under certain circumstances, CCM may waive the minimum account requirement and accept accounts less than \$1,000,000.

For more detailed information about our advisory business and the types of clients we generally serve, please see items 4 and 7, respectively in our **Form ADV Part 2A**.

CONVERSATION STARTERS

- *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?*

WHAT FEES WILL I PAY?

We provide services and receive investment management fees only from you. Our investment advisory fee is based on a percentage of your assets under our management.

We bill you for our services on a monthly basis, in advance. Because our fee is based on the amount of your assets under our management, the more assets you entrust us to manage, the more you will pay us for our services. Similarly, when your assets are adversely affected by market performance, you will pay us less.

Your account will be held with a qualified custodian. Your assets may be invested in mutual funds and ETFs. You will bear your pro rata share of the investment management fees and other fees of the funds, which are in addition to the fees you pay us. These fees and expenses are described in each fund’s prospectus and potentially include a management fee, distribution fee (i.e., rule 12b-1 fee), and other fund expenses.

- *Help me understand how these fees and costs might affect my investments. If I give you \$1,000,000 to invest, how much will go to fees and costs, and how much will be invested for me?*

— continued on next page —

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. For more detailed information about our fees and costs related to our management of your account, please see item 5 in our **Form ADV Part 2A**.

CONVERSATION STARTERS

WHAT ARE YOUR LEGAL OBLIGATIONS TO ME WHEN ACTING AS MY INVESTMENT ADVISOR? HOW ELSE DOES YOUR FIRM MAKE MONEY AND WHAT CONFLICTS OF INTEREST DO YOU HAVE?

When we act as your investment advisor, we have to act in your best interest and not put our interests 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:

- We may recommend a particular custodian from whom we receive support services. This presents a conflict of interest, because our receipt of their support may make us more inclined to continue using and recommending them.
- We may recommend rollovers out of employer-sponsored retirement plans and into Individual Retirement Accounts that we manage for an asset-based fee. If we don't currently manage your account held with your employer's plan, this will increase our compensation.

Please know that we generally make investment decisions without regard to whether they incur transaction fees or not. For more detailed information about our conflicts of interest, we suggest review of Items 4, 10, 11 and 12 of our **Form ADV Part 2A**. Those sections, Item 10 in particular, detail our affiliations with other entities with which we have material business arrangements, such as National Advisors Trust Company and ViaForte.

HOW DO YOUR FINANCIAL PROFESSIONALS MAKE MONEY?

Our financial professionals are compensated on a salaried basis. Our team of advisors are all eligible to be equity owners of the firm and stand to receive a share of the profits of the firm. While this structure could incentivize a financial professional to increase the firm's assets under management by actions such as recommending that you place additional assets with our firm, know that our team of professionals is first and foremost committed to their fiduciary responsibility to you.

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

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

No. We encourage you to visit www.investor.gov/CRS to research our firm and our financial professionals

- *As a financial professional, do you have any disciplinary history? If so, for what type of conduct?*

ADDITIONAL INFORMATION

Additional information about our firm is available on the SEC's website at www.adviserinfo.sec.gov. You may contact our Chief Compliance Officer at any time, or review our most current copy of our **Form ADV Part 2A**, which explains the information in this summary in greater detail. Our Chief Compliance Officer, Justin Stets, may be reached by phone at 507.645.8887 for any questions, concerns or comments about your experience with our firm.

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

March 15, 2023



CARLSONCAP.COM