

Threadstone Capital, LLC – Customer Relationship Summary

9/19/2023

Introduction

Threadstone Capital, LLC (Threadstone) is registered with FINRA and the SEC as a broker-dealer. Brokerage and investment advisory services and fees differ and it is important for the retail investor 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. To learn more about Threadstone, you may go to FINRA's BrokerCheck at: <https://brokercheck.finra.org/>.

Relationships and Services

What investment services and advice can you provide me?

Threadstone facilitates private placement investments.

Threadstone also provides M&A advisory services for institutional clients, including advising on sales and restructuring of businesses.

Threadstone does not impose a minimum investment amount upon customers with respect to any placement or M&A transaction in which Threadstone is involved.

We may recommend investments to retail investors, but the retail investor makes the ultimate decision whether or not to invest, and Threadstone will not monitor customer investments. Threadstone offers investments in a limited number of investment opportunities. There may be other investments that we do not offer which better suit your needs.

For additional information, please see www.threadstonelp.com.

Questions to consider:

- *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?*

Fees, Costs, Conflicts and Standard of Conduct

What fees will I pay?

It is important for you, the retail investor, to understand the principal fees and costs you will incur for your brokerage services, including how frequently they are assessed and the conflict of interest they create.

- **Placement services:** Threadstone is compensated for its placement services by the issuers with which it works, typically in the form of a retainer and a percentage of the investment amount raised. You will not pay any fees to Threadstone. You should carefully review the prospectuses for the placements you invest in, to ensure that you understand any fees you may pay.
- **M&A advisory services:** Threadstone is typically compensated for its M&A advisory services via a retainer and success fee, paid by the institutional entities which retain Threadstone to perform these services. This business line does not apply to retail investors.

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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 consider:

- *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 as my broker-dealer? How else does your firm make money and what conflicts of interest do you have?

When we provide you with a recommendation as your broker-dealer, 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 and investment advice we provide you. Here are some examples to help you understand what this means.

- Threadstone receives placement fees from the sponsors of the investments Threadstone recommends, which are generally based upon the amount of interests subscribed for by investors. Thus, Threadstone's recommendations of such investments may be influenced by its desire to obtain these fees.

Questions to consider:

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

How do your financial professionals make money?

Our registered representatives (RRs) receive a fixed salary along with a performance-based year-end bonus. The size of their bonuses may depend in part upon the amount of investments made by their clients during the year. As such, our RRs have an incentive to encourage you to invest through Threadstone.

Disciplinary History

Do you or your financial professionals have legal or disciplinary history?

Yes. For a free and simple search tool to research our firm and our registered representatives' disciplinary actions and history, please go to: www.investor.gov/CRS

Questions to consider:

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

Additional Information

If you would like up-to-date information about our firm or to request a copy of the relationship summary, please call (212) 488-0795 or go to: www.threadstonelp.com.

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- *Who is my primary contact person?*
- *Is he/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?*