

Customer Relationship Summary

Helping you make an informed decision

June 30, 2020
Form CRS

Carolinas Investment Consulting LLC is registered with the Securities and Exchange Commission (“SEC”) as a broker-dealer and is also a member of FINRA and SIPC. Our brokerage services are the primary focus of this summary, though we do have an affiliate SEC Registered Investment Adviser, Carolinas Wealth Consulting LLC (“CWC”), whose Form CRS is available on our website, carolinasinvest.com. 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 Investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisers, and investing.

All recommendations regarding your brokerage account will be made in a broker-dealer capacity, and all recommendations regarding your advisory account will be in an advisory capacity. When we make a recommendation to you, we will expressly tell you orally which account we are discussing.

This relationship summary provides information that helps you make an informed decision about whether to invest with us. It will tell you about the investment services we can provide to you, what fees you will pay, how our financial professionals make money and are compensated, what are our conflicts of interest, what legal or disciplinary history our financial professionals may have, and what legal obligations we have to you. This summary will also tell you where you can find additional information.

What investment services and advice can you provide me?

We offer brokerage services to retail investors limited to directly held mutual fund accounts, 529 College Savings Plans, and Variable Annuities. You can buy, sell and hold investments within your account. The primary service we provide in our brokerage capacity is making investment recommendations based on your unique needs and providing access to products that meet these needs.

Through your relationship with us, you may receive recommendations to buy, sell, or hold assets. You may also receive research reports and performance reporting. When we make a recommendation to you, we are obligated to ensure the recommendation is in your best interest, considering reasonably available alternatives, and based on your stated investment objective, risk tolerance, liquidity needs, time horizon, financial needs, tax status, and other financial information you provide us. When we make a recommendation, you make the ultimate decision regarding the purchase or sale of investments. You may accept or reject any recommendation.

It is your responsibility to monitor the investments in your brokerage account, and we encourage you to do so regularly. We do not commit to provide on-going monitoring of your brokerage account. If you prefer on-going monitoring of your account or investments, you should speak with a financial advisor about whether an advisory services relationship is more appropriate for you.

There is no minimum initial account balance required to open a brokerage account with us, however, directly held mutual fund accounts, 529 College Savings Plans, and Variable Annuities will each have their own minimums. These requirements are detailed in the account agreement(s) you receive when you open your account.

What fees will I pay?

There are costs involved in a brokerage relationship. These include transaction-based fees, account fees, and service fees. 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 brokerage services, you will pay transaction-based fees for trades you decide to enter into, such as mutual funds in a 529 Plan or other direct account, and annuity contracts. These transaction-based fees are generally referred to as a “commission,” “sales load,” “up-front sales charge” or “deferred sales charge.”

We receive both direct compensation (taken directly from your account such as from front-end sales charge), and indirect compensation (paid in other ways such as trails).

Questions you might wish to ask:

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

Questions you might wish 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?

Compensation arrangements, and other third-party payments and benefits, may create a conflict of interest associated with our recommendations to you.

You may pay fees for various operational services provided to you through your brokerage account, such as annual account fees, transfer fees, or wire fees. These fees are communicated to you by the custodian or investment company through information included in your account statement and other notifications. These fees do not apply to all account types and may be waived under certain conditions.

You can get more information about our brokerage services and fees from our [Regulation Best Interest Disclosure](#).

What are your legal obligations to me when providing recommendations? How else does the firm make money and what conflicts of interest do you have?

When we provide you with a recommendation, we must 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 recommendations and investment advice we provide you. Here are some examples to help you understand what this means.

Our conflicts of interest are typically the result of compensation structures and other financial arrangements between us, our financial professionals, our clients and third parties.

Transaction-based conflicts arise when you pay certain sales charges in connection with buying and selling investment products. There may be an incentive to recommend that you purchase products that carry higher fees. A conflict may also arise if you are eligible to open an advisory account through our affiliate, CWC, where recurring fees are received as compensation. These fees may exceed sales charges. These factors may also influence our recommendation to buy and hold, or to buy and sell investments.

Questions you might wish to ask:

- What are your conflicts of interest?
- How might your conflicts of interest affect me and how will you address conflicts of interest?

How do your financial professionals make money?

Financial professionals are compensated in a variety of ways based on the percentage of revenue generated from sales of products and services to clients. They earn a portion of the commissions and other transaction fees you pay. This commission is based on a number of factors and may vary, as is the compensation paid to our financial professionals. In addition to upfront-transaction based compensation, some products feature on-going residual or trail payments. Thus, financial professionals are incentivized to recommend products that have higher fees as well as those with on-going payments.

Some product and service providers provide training and education to the financial professionals. Such meetings are provided at no cost to us and may include reimbursement for meals and travel. These meetings or events are held to educate financial professionals and are also considered to be a form of non-cash compensation.

For additional information about potential conflicts of interest, and how our financial professionals make money, please see our [Regulation Best Interest Disclosure](#).

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

No. Visit Investor.gov/CRS for a free and simple search tool to research us and our financial professionals.

Where can I find additional information?

You can always ask your financial advisor for more information and request a copy of this relationship summary by calling 704-643-2455. Please visit our website at carolinainvest.com for further information and copies of our Form CRS, Regulation Best Interest, and other disclosures.

Questions you might wish to ask:

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

Questions you might wish to ask:

- Who is my primary contact person?
- Is she or he 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?