

# Relationship Summary

June 30, 2020

First Ballantyne, LLC (FBLT) is registered with the Securities and Exchange Commission as a broker-dealer.

## Is a Brokerage Account Right for You?

There are different ways you can get help with your investments. You should carefully consider which types of accounts and services are right for you. We are a broker-dealer and provide brokerage accounts and services rather than advisory accounts and services. This document gives you a summary of the types of services we provide and how you pay. Please ask us for more information. There are some suggested questions on page 2.

## Relationships and Services

If you open a brokerage account, you will pay us a **transaction-based fee**, generally referred to as a commission, every time you buy or sell an investment.

You, or a proxy named in a Discretionary Investment Management Agreement, will select the investments and will make the ultimate investment decision regarding the investment strategy and the purchase or sale of investments.

FBLT does not offer to retail investors additional services, including, for example: (a) assistance with developing or executing the retail investor's investment strategy (e.g., you discuss the retail investor's investment goals or you design with the retail investor a strategy to achieve the retail investor's investment goals), or (b) monitoring the performance of the retail investor's account.

## Our Obligations to You

We must abide by certain laws and regulations in our interactions with you. When we provide any service to you, we must treat you fairly and comply with a number of specific obligations. Unless we agree otherwise, we are not required to monitor your portfolio or investments on an ongoing basis. Our interests can conflict with your interests.

## Fees and Costs

Fees and costs affect the value of your account over time. Please ask your financial professional to give you personalized information on the fees and costs that you will pay.

The fee you pay is based on the specific transaction and not the value of your account. With stocks or exchange-traded funds, this fee is usually a separate commission. With other investments, such as bonds, this fee might be part of the price you pay for the investment (called a "**mark-up**" or "**mark down**"). With mutual funds, this fee (typically called a "**load**") reduces the value of your investment. Some investments impose additional fees that will reduce the value of your investments over time (e.g., mutual funds and variable annuities). You could be required to pay fees when certain investments are sold (e.g., surrender charges for selling variable annuities).

FBLT fees do not vary and are not negotiable. The more transactions in your account, the more fees we charge you. We therefore have an incentive to encourage you to engage in transactions.

## Compare with Typical Advisory Accounts

You could also open an advisory account with an **investment adviser**, where you will pay an ongoing **asset-based fee** that is based on the value of the cash and investments in your advisory account. Features of a typical advisory account include:

- Advisers provide advice on a regular basis. They discuss your investment goals, design with you a strategy to achieve your investment goals, and regularly monitor your account.
- You can choose an account that allows the adviser to buy and sell investments in your account without asking you in advance (a "discretionary account") or the adviser may give you advice and you decide what investments to buy and sell (a "non-discretionary account").
- Advisers are held to a fiduciary standard that covers the entire investment advisory relationship. For example, advisers are required to monitor your portfolio, investment strategy and investments on an ongoing basis.
- If you were to pay an asset-based fee in an advisory account, you would pay the fee periodically, even if you do not buy or sell. You may also choose to work with an investment adviser who provides investment advice for an hourly fee or provides a financial plan for a one-time fee.

- For an adviser that charges an asset-based fee, the more assets you have in an advisory account, including cash, the more you will pay the adviser. So, the adviser has an incentive to increase the assets in your account in order to increase its fees.
- You can receive advice in either type of account, but you may prefer paying:

<i>an asset-based fee</i>	<i>a transaction-based fee</i>
if you want continuing advice or want someone to make investment decisions for you, even though it may cost more than a transaction-based fee	from a cost perspective, if you do not trade often or if you plan to buy and hold investments for longer periods of time

### Conflicts of Interest

We benefit from our recommendations to you. FBLT can buy investments from you, and sell investments to you, from our own accounts (called “acting as principal”). FBLT can earn a profit on these trades and has an incentive to encourage you to trade with FBLT.

### Additional Information

We encourage you to seek out additional information.

FBLT has a legal and disciplinary event. Visit [Investor.gov](http://Investor.gov) for a free and simple search tool to research FBLT and our financial professionals. To report a problem to the SEC, visit [Investor.gov](http://Investor.gov) or call the SEC’s toll-free investor assistance line at (800) 732-0330. To report a problem to FINRA, visit [Finra.org](http://Finra.org) or call FINRA’s Investor Complaint Center at (240) 386-4357. If you have a problem with your investments, investment account or a financial professional, contact FBLT in writing at 13950 Ballantyne Corporate Place, Ste 185, Charlotte, NC 28277.

For additional information about your brokers and services, visit [BrokerCheck](http://BrokerCheck), [FBLT.com](http://FBLT.com), and your account agreement. The [BrokerCheck](http://Brokercheck.Finra.org) website is located at [Brokercheck.Finra.org](http://Brokercheck.Finra.org).

### Key Questions to Ask

Ask our financial professionals these key questions about our investment services and accounts.

Use formatting to make the questions more noticeable and prominent (for example, by using larger font, a text box around the heading or questions, different font, or lines to offset the questions from the other sections).

- Given my financial situation, why should I choose a brokerage account?
- Do the math for me. How much would I pay per year for an advisory account? How much for a typical brokerage account? What would make those fees more or less? What services will I receive for those fees?
- What additional costs should I expect in connection with my account?
- Tell me how you and your firm make money in connection with my account. Do you or your firm receive any payments from anyone besides me in connection with my investments?
- What are the most common conflicts of interest in your brokerage accounts? Explain how you will address those conflicts when providing services to my account.
- Do you or your firm have a disciplinary history? For what type of conduct?
- What is your relevant experience, including your licenses, education, and other qualifications? Please explain what the abbreviations in your licenses are and what they mean.
- Who is the primary contact person for my account, and is he or she a representative of an investment adviser or a broker-dealer? What can you tell me about his or her legal obligations to me? If I have concerns about how this person is treating me, who can I talk to?