

Form CRS - Customer Relationship Summary (As of September 08, 2023)

Item 1 - Introduction:

Colorado Financial Service Corporation (CFSC, we, our or us) is a securities broker-dealer and state registered investment advisor based in Centennial, Colorado. We are registered with the U.S. Securities & Exchange Commission and is a member of the Financial Industry Regulatory Authority (FINRA) and Securities Investor Protection Corporation (SIPC). Colorado Financial is registered to do securities business in all fifty states as well as the District of Columbia, Puerto Rico and the U.S. Virgin Islands. Brokerage and investment advisory services and fees differ, and it is important for you to understand these differences. There are free and simple tools available that you can use to research firms and financial professionals on the SEC's website at [Investor.gov/CRS](https://www.investor.gov/CRS) which also provides educational materials about broker-dealers, investment advisers, and investing.

Item 2 - What investment services and advice can you provide me?

CFSC offers to retail clients both broker-dealer and registered investment advisory services. Below is a summary breakdown of the services we offer.

Brokerage Services	Investment Advisory Services
As an introducing broker-dealer, CFSC will execute orders for clients as their agent through our brokerage firm and the orders are filled and cleared through an unaffiliated clearing firm.	We offer discretionary investment advisory, asset management, and financial planning services to clients based on information we obtained from you to help ensure we are making investment recommendations in your best interest.
We offer investment and account recommendations that are specific to you and your situation at the time and we provide it on a non-discretionary basis. This means you approve each transaction prior to execution, and you make the ultimate decision regarding the purchase or sale of investments. We will also accept and execute unsolicited orders from you.	Your investment adviser will routinely monitor your account, the underlying investments, the market and manage the accounts based on your selected investment strategy. We will review the accounts with you at least annually or on a more frequently basis as circumstances require.
The firm's brokerage services may also include recommendations of alternative investment products that include 1031 Exchanges and Delaware Statutory Trusts or DSTs, private placements and limited partnerships, annuities, fixed income products, and insurance products for a fee.	Clients have the option to authorize CFSC and its investment advisors to manage their accounts on a discretionary basis which is limited to the securities to be purchased or sold, the quantity of securities to be purchased or sold, the timing, and the price to be paid for any purchases or sale.
The registered representative does not manage or our clients' brokerage accounts.	Our investment advisory services have a \$100,000 account minimum requirement.
You will receive a quarterly statement from your custodian delivered via US Mail.	You will receive quarterly a statement from your custodian delivered via US Mail.
The firm does not have a minimum account funding requirement or maintenance size for brokerage accounts, but the clearing firm may close accounts that are unfunded or dormant.	

Conversation Starter – Ask your financial professional.

- **Given my financial situation, should I choose a brokerage service? Should I choose an investment advisory service? Should I choose both types of services? 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 those qualifications mean?**

Item 3a - What fees will I pay?

Brokerage Services	Investment Advisory Services
You will pay fees and cost 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 stock brokerage transactions, each trade will include either a flat dollar fee or a percentage commission charge that is agreed upon by you and your registered representative. In addition with each trade, there is a ticket charge and handling fees in the amount of \$28.95 that is passed on to you from the clearing firm. Your registered representative earns commissions on your trades therefore he/she may have an incentive to encourage you to trade more frequently and in greater amounts to generate more commissions. The firm offers various alternative investment products that are generally only available to accredited investors as the nature of these investments have higher risk, longer investment horizon, and generally have little or zero liquidity. The firm and the registered representative will earn a predetermined commission percentage that is paid at the closing of the investment transaction. The firm might also earn a due diligence fee that is paid by the issuer or sponsoring company of the offerings. Capital Markets – The firm will earn a pre-determined commission percentage based on the amount of capital raised which is paid by the issuing company. The firm and the registered representative might also be compensated in the form of equity ownership of the issuing company. Mutual Funds and Closed-End Products – The firm offers mutual funds and closed-end products to clients where the registered representative will receive a front-end load or sales charge which is a fee that is paid out to the representative when the shares are purchased. This front-end load can vary depending on the products and	You will pay fees and cost 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. CFSC does offer discretionary accounts in which the registered representative will monitor the retail investors' account(s) on a regular basis and make the necessary portfolio adjustment as he or she deems necessary. Fees for such services can be either on an hourly or a fixed fee basis as negotiated and agreed by the client and CFSC. Hourly fees will be charged for financial planning services and/or if the scope of the engagement cannot be determined. To the extent that the scope of the engagement can be determined, the Investment Adviser Representative (IAR) may quote the client a fixed fee. The fixed fee quote is based on a variety of factors, including but not limited to the time anticipated for providing the services, staff resources, number of client meetings, research, etc. Adjustments to fees may be made at any time based on the express mutual agreement of CFSC and the client. Fees for financial planning services are due upon delivery or presentation of the plan. For ongoing services, clients are billed at the end of each quarter or billing period based on assets under management multiplied by the annual fee rate agreed to by the client and the Investment Advisor Representative that range from 0.5% to 2.5%. You may incur other fees or charges for certain activity on the account such as custodian termination fees or fees for wires or returned checks. In addition, you may also incur additional costs if you choose to invest in alternative or fixed income investments. The more assets you have in your account, the more you pay in fees, therefore your financial professional

the charges can reduce the amount of your investment. Before making an investment, you should review the prospectus for the specific sales charges. Variable Annuities and Insurance Products – The firm offers various annuity and insurance products through its appointments with numerous insurance companies. The firm and its registered representatives are compensated by a predetermined commission percentage on these transactions and can possibly receive subsequent trailing commissions as well.	has an incentive to encourage you to increase the assets in your account.
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Conversation Starter – Ask your financial professional.

- **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?**

Item 3b - What are your legal obligations to me when providing recommendations as my broker-dealer or when acting as my investment adviser? How else does your firm make money and what conflict of interests do you have?

When we provide you with a recommendation, as your broker-dealer or act as your investment advisor, 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.

Brokerage Services	Investment Advisory Services
The registered representatives receive commissions on the trades executed for clients so the representatives may have an incentive to recommend trades.	Under the investment advisory services, your adviser will earn a fee based on the amount of asset he/she manages for you. The investment adviser might have an incentive to encourage you to transfer or move more money to CFSC to earn higher fees.
Our registered representatives earn a commission on the capital they raise for private companies and DST sponsors, therefore, they might have an incentive to recommend investments with higher commission payouts when similar lower cost products are available.	When clients rollover their assets to CFSC, we may have a conflict of interest because the client will pay investment advisory fees on those assets that might not have been subject to advisory fees previously.
Some of the registered representatives also hold insurance licenses and could make insurance product recommendations and earn a commission from those insurance product transactions.	The investment adviser may also recommend other alternative investment or insurance products outside of your investment portfolio to diversify your investments. In such regards, the financial adviser will receive separate compensation in the form of commissions as a result of clients purchasing those securities products or insurance products. If this occurs, the separate investment(s) will not be included in the quarterly advisory fee calculation.
CFSC will occasionally host conferences to educate and update our financial professionals about the various products available, and when the product sponsors attend these conferences, the firm may be compensated for their attendance.	

Conversation Starter – Ask your financial professional.

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

Item 3c - How do your financial professionals make money?

Brokerage Services	Investment Advisory Services
Our registered representatives make money by receiving a percentage of the commissions paid on the brokerage trades they execute for you or when you purchase private securities, insurance products, or other fixed income products recommended to you. For certain private securities transactions, the firm and the financial professionals may also receive compensation in the form of warrants.	Our Investment Adviser Representatives make money by receiving a portion of the advisory fees that we charge you on the assets we manage for you. When your investment portfolio increases in value whether through market performance or from additional contribution, your IAR's compensation will also be higher.

Item 4 - Do you or your financial professionals have legal or disciplinary history?

Yes. Our firm does have, and your financial professional may have disclosure event(s). You can visit www.investor.gov/CRS for a free and simple search tool to research us and our financial professionals.

Conversation Starter - Ask your financial professional.

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

Item 5 - Additional information:

For more information about Colorado Financial Service Corporation and about our brokerage and investment advisory services, you can go to our website at: www.coloradofsc.com or contact us 303-962-7267 to request a copy of the Customer Relationship Summary.

Conversation Starter - Ask your financial professional.

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

You are under no obligation to invest in any offering and this Customer Relationship Summary does not constitute an offer to buy or sell any securities. Offers to purchase or sell private securities may only be made by prospectus or offering memorandum and only in jurisdictions where such offerings are allowed.

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Sincerely,
Colorado Financial Service Corporation