

Benefit Finance Securities, LLC

Form CRS Customer Relationship Summary 6/29/2020

1. Introduction

BFS LLC is registered with the Securities and Exchange Commission (SEC) as a limited broker-dealer and is a member of the Financial Industry Regulatory Authority (FINRA). The Firm acts as a limited broker-dealer distributing certain variable contracts (including variable annuities and/or variable life insurance contracts) issued by insurance companies to institutional and some retail investors that are either "Qualified Purchasers" or "Accredited Investors".

Brokerage and investment advisory services and fees differ, and it is important for the retail investor to understand these 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.

2. Relationships and Services

What investment services and advice can you provide me?

BFS offers only limited brokerage services to retail investors, focused on the initial sale of variable insurance private placement products. These products are Reg. D private placements offered by life insurance carriers. We do not make a secondary market or complete trades in other securities.

BFS does not monitor the investments for the client. We also do not accept discretionary authority over client's accounts. We do not offer investment advice or make specific recommendations relating to these policies. The investment options are generally limited to a set of underlying funds, which are managed by outside investment managers. Any investment advice BFS may provide would be at the client's request and will cover only the limited selection of investment divisions offered through the insurance product.

Insurance assets are long term in nature and should not be considered for short term purposes. Adverse tax consequences may result due to withdrawals or surrender of the products purchased.

For additional information, please see the policy, the private placement memorandum, all disclosures, and each investment manager's prospectus for additional information.

Conversation Starters. Ask your financial professional—

- *Given my financial situation, should I choose a brokerage service? Why or why not?"*
- *What are Variable Insurance Products and why are they considered securities by the SEC?*
- *How do they differ from mutual funds or other investment products?*
- *What services can I expect from BFS regarding the purchase of a variable contract?*

3. Fees, Costs, Conflicts, and Standard of Conduct

A. Fees and Costs

What fees will I pay?

BFS does not generally charge the retail client a specific fee to start or maintain the relationship. If you purchase a policy, you will pay the upfront and ongoing fees of the policy, which may vary by policy, insurance carrier, state of residence, and the investment division(s) selected. These generally include premium related expenses, State and Federal taxes, administration charges, investment management charges, cost of insurance and other related charges, and potentially surrender charges and any related taxes or penalties.

BFS may receive from the insurance carrier premium-based and/or ongoing asset-based commissions associated with the products we offer. Accordingly, this may create a conflict of interest associated with encouraging you to purchase policies or add premiums to existing policies. BFS and/or its affiliates may also participate in revenue streams shared by the investment manager or the insurance carrier.

For additional information

Additional information on Fees and Costs is generally available in the Private Placement Memorandum and in the policy as well as prospectuses and supplements from the investment managers. Additional questions can be directed to our office at 314-729-2200. 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.

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?*

B. Our Obligations to You

What are your legal obligations to me when providing recommendations?

When we provide you with a recommendation, we have to act in your best interest and not put our interest ahead of yours. The way we make money may create some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the recommendations we provide you. Here are some examples to help you understand what this means.

Certain products or investment selections by you may create a conflict of interest with BFS due to Revenue Sharing. We must eliminate these conflicts or tell you about them in a way you can understand, so that you can decide whether or not to purchase or invest. When making recommendations or offering advice, we must keep your best interest in mind rather than the revenue generated.

Conversation Starter. Ask your financial professional—

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

For additional information, please see sec.gov/regulation-best-interest or investor.gov/CRS.

C. Conflicts of Interest

How do your Financial Professionals make money?

BFS financial professionals are generally salaried, but they may receive incremental compensation relating to a specific sale or product.

How else does your firm make money and what conflicts of interest do you have?

- BFS may receive upfront commissions relating to premiums paid or asset-based commissions based on the cash value of the contracts.
- BFS may receive compensation from the carrier related to fees collected by the carrier such as cost of insurance or other insurance charges.
- BFS may receive compensation related to investment management expenses charged by the investment manager or advisor.

4. Disciplinary History

Do your financial professionals have legal or disciplinary history?

Yes, some of our financial professionals do have disclosure items. These can be researched by using FINRA's BrokerCheck service at brokercheck.finra.org or at investor.gov/CRS for a free and simple search tool.

Conversation Starter. Ask your financial professional—

- *Who is my primary contact person (at your broker dealer)?*
- *Does he or she have any disciplinary history? For what type of conduct?*
- *Who can I talk to if I have concerns about how this person is treating me?*

5. Additional Information

We encourage you to seek additional information. You can contact our main office in writing at Six Cityplace Drive, Suite 400; St. Louis, MO 63141 for additional copies of the relationship summary and/or additional information. You can also call us at 314-729-2200. Or you can email us at sfargo@benefitfinance.com. Also, you can visit Investor.gov for a free and simple search tool to research our firm and our financial professionals.