

Broad Cove Capital

Form CRS Customer Relationship Summary

JUNE 29, 2020

ITEM 1 - Introduction

Broad Cove Capital ("Broad Cove") is registered with the Securities and Exchange Commission (SEC) as an investment adviser. Brokerage and investment advisory services and fees differ, and it is important for you 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.

ITEM 2 – Relationships and Services

What investment services and advice can you provide me?

Broad Cove provides a variety of advisory services, which include comprehensive financial planning and investment management services including non-discretionary investment advisory services to qualified retirement plans and their fiduciaries and/or manage or advise on certain investment products/portfolios including variable life insurance and annuity contracts.

Monitoring – Broad Cove monitors and reviews client investment accounts as part of an ongoing supervisory process. Broad Cove contacts ongoing investment advisory clients at least annually to review its previous services and/or recommendations and quarterly to discuss the impact resulting from any changes in the client's financial situation and/or investment objectives. For financial planning clients, Broad Cove provides reports as requested by such clients or reviews are conducted on as-needed basis.

Investment Authority -- We provide investment advice to our clients on a discretionary or non-discretionary basis. When we provide discretionary investment services, clients have given written authorization to Broad Cove to make investment decisions on their behalf. When we provide non-discretionary investment services, clients make the ultimate decision regarding the purchase or sale of investments and Broad Cove cannot effect any account transactions without obtaining prior consent to such transaction(s) from the client.

Limited Investment Offerings -- Our advice and services are not limited to a specific type of product or service. Broad Cove's investment recommendations are primarily related to investments in mutual funds, exchange traded funds, individual debt or equities or the selection of independent investment managers.

Account Minimums -- Broad Cove generally imposes a minimum portfolio size of \$250,000 but Broad Cove, in its sole discretion, may accept clients with smaller portfolios depending on the circumstances or may aggregate the portfolios of family members to meet the minimum portfolio size.

Other Requirements – Brokerage and Insurance – Mr. Duffy and Mr. Daigneault are registered representatives of Purshe Kaplan Sterling Investments, Inc., a broker-dealer ("PKS") and Mr. Duffy is an insurance agent licensed with several insurance companies. Securities transactions or insurance product sales are outside the scope of the advisory services offered by Broad Cove.

For additional information, please reference Form ADV Part 2A, Items 4, 7 and 16.

Conversation Starters - ask your financial advisor:

- Given my financial situation, 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?

ITEM 3 – Fees, Costs, Conflicts and Standard of Conduct

What fees will I pay?

Broad Cove's uses a multi-tiered investment management fee schedule which range from 1.00% on assets less than \$1 million to 0.50% on assets over \$5 million. Broad Cove's retirement plan clients pay a consulting fee at an annual rate of up to 0.50% of assets in the Plan. The annual management fee is charged quarterly, in advance, based upon the market value of the assets on the last day of the previous calendar quarter. Broad Cove charges a fixed fee to provide clients with financial planning services. These fees are negotiable but range from \$2,500 to \$10,000.

Broad Cove invests in mutual funds, exchange traded funds, individual debt or equities or the selection of independent investment managers. These same assets are also subject to additional advisory and other fees and expenses charged by the funds, as set forth in the prospectuses of those funds. When Broad Cove uses independent investment managers to provide clients specialized asset allocation strategies, the client will pay the independent investment manager advisory fees in addition to Broad Cove's management fees. Finally, clients may also pay other fees to Fidelity. These include transaction fees, custodial fees, margin costs, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on their accounts and securities transactions.

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 additional information, please see Form ADV, Part 2A Items 5.A., B., C., and D and other applicable documents.

What are your legal obligations to me when acting as my investment adviser?

When we act as your investment adviser, we must act in your best interest and not put our interest ahead of yours.

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

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 investment advice we provide you. Here are some examples to help you understand what this means: (1) Since Broad Cove charges asset based fees, the more assets there are in your account, the more you will pay in fees, and Broad Cove may therefore have an incentive to encourage you to increase the assets in your account. (2) Broad Cove generally recommends Fidelity to serve as custodian to clients. Fidelity provides Broad Cove with "institutional platform services." The institutional platform services include brokerage, custody, software and other technology and related services that assist Broad Cove in managing and administering clients' accounts including assistance with back office functions, recordkeeping and client reporting. Fidelity provides Broad Cove other services, beyond those described above, intended to help Broad Cove manage and further develop its business. These services include occasional business entertainment, and access to education, consulting, training, publications, webinars, and conferences at either a reduced cost or free of charge.

How do your financial professionals make money?

Our professionals are paid salaries with bonus incentives based on the profitability of the firm and performance of their responsibilities. In addition, through PKS or an insurance company, our financial professionals can offer commission-based products for which they receive additional compensation. This additional compensation causes a conflict of interest as they have an incentive to solicit commission-based products. Broad Cove monitors its conflicts of interest and has procedures in place to ensure that any recommendations made by its professionals are in the best interest of clients.

For additional information related to risks and conflicts related to your account or your relationship with Broad Cove, please see Form ADV Part 2A, Items 4, 5, 7, 10, 14 and 16.

Conversation Starters - ask your financial advisor:

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

ITEM 4 – Disciplinary History

No. Neither Broad Cove nor any of our financial professionals have a disciplinary history. A free search tool to research us and our financial professionals is available at investor.gov/CRS.

Conversation Starters - ask your financial advisor:

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

ITEM 5 – Additional Information

Additional information about our services is available by visiting www.broadcovecapital.com. If you would like to request a copy of this Customer Relationship Summary or other available, up-to-date information regarding Broad Cove, please contact us at info@broadcovecapital.com or by telephone at 207-781-7800.

Conversation Starters - ask your financial advisor:

- 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?