



**Sendero Securities, LLC & Sendero Wealth Management, LLC**

Form CRS Customer Relationship Summary  
 March 30, 2021

**Introduction**

Sendero Securities, LLC, (“Sendero Securities”) is registered with the Securities and Exchange Commission (“SEC”) as a broker-dealer and is a member of the Financial Industry Regulatory Authority (“FINRA”) and the Securities Investor Protection Corporation. Sendero Wealth Management, LLC (“SWM”) is registered with the SEC as an investment advisor. Brokerage and investment advisory services and fees differ, and it is important for you to understand these differences. Free and simple tools are available to you at <https://www.investor.gov/CRS> which also provides educational materials about broker-dealers, investment advisors, and investing.

**What investment services and advice can you provide me?**

*Broker-Dealer Services*  
 Brokerage Accounts

**Response:** Sendero Securities offers private placements in various market segments, all of which are offered pursuant to a Private Placement Memorandum (“PPM”). Sendero Securities only solicits and sells these investments to accredited investors. Sendero Securities only offers investments that are approved by its Investment Committee. As such, we only offer a limited number of private placements. Other Firms could offer a wider range of choices, some of which might have lower fees and costs. Sendero Securities provides an investment recommendation, but we do not exercise discretionary authority and authorize investments on behalf of the client. As such, each investor is responsible for making the ultimate investment decision. Sendero Securities provides on-going monitoring of these investments, in conjunction with the other investments recommended by our affiliated Investment Advisor.

*Investment Adviser Services*  
 Advisory Accounts

**Response:** SWM offers customized investment strategies to help its clients preserve, protect, and grow their wealth. SWM offers traditional asset allocation, third-party manager selection and sophisticated investment oversight to its clients. SWM focuses on clients with \$1mm or more in investable assets. Clients with less than \$1MM in investible assets will have their assets managed using a discretionary model portfolio approach. In its discretionary accounts, SWM has investment discretion with respect to the agreed upon investment allocations, investment objectives and Investment Policy Statement (“IPS”) ranges. SWM will have discretion to: 1) rebalance client portfolios based upon the approved IPS; 2) to debit accounts for advisory fees; and 3) to replace third-party managers. In its non-discretionary accounts, SWM does not have discretion with respect to any aspect of the client’s assets, except to debit for fees. SWM utilizes a suite of technology solutions offered by FinLife Partners, a division of United Capital Financial Advisers, LLC, d/b/a Goldman Sachs Personal Financial Management (“Finlife Partners”), to assist in the preparation of a client’s financial plan.

**For additional information** please refer to SWM's ADV Part 2A, Items 4 and 7, which can be found at <https://adviserinfo.sec.gov/firm/summary/145594> or from Sendero Wealth Management's Website.

**Conversation Starters.** Ask your financial professional: Given my financial situation, should I choose an investment advisory service? Should I choose a brokerage 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 these qualifications mean?

### What fees will I pay?

#### *Broker-Dealer Services* Brokerage Accounts

**Response:** If you open a brokerage account, each investment offered by Sendero Securities is solicited and sold utilizing a Private Placement Memorandum ("PPM"). These investments typically do not charge up-front fees (sales charges) but typically pay the respective investment manager both an annual investment management fee and, if certain performance benchmarks are attained by the fund, a performance fee. Sendero Securities' agreement with the un-affiliated investment manager typically allows for Sendero Securities to receive a portion of both the investment management fee and the performance fee. A prospective investor should refer to the PPM specific to their investment for an itemized list of fees and expenses. You will pay fees and costs whether you make money 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 will be paying.

#### *Investment Adviser Services* Advisory Accounts

**Response:** SWM's maximum annual fee, is based on the market value of the assets under management or advisement is 1.1% of the value of the portfolio. Clients may have a minimum annual fee, or fixed fees, as set forth within their individual fee schedule. SWM may recommend to client's alternative investments, where SWM has established a placement fee relationship through Sendero Securities, LLC, an affiliated broker-dealer. SWM will also bill on "Accommodation Assets" at times, which are assets held in client accounts and reviewed in connection with client specific portfolio allocations but are not included in SWM's due diligence process. A client will also be responsible for any Third-Party Investment Manager advisory fees, which are in addition to SWM's fees. SWM clients may incur additional charges that may be imposed by third parties, including transaction fees and costs, interest, transfer fees, exchange fees, and/or other fees or taxes. These fees are exclusive of and in addition to SWM's fees. Additional fees for work outside SWM's normal services, such as divorce or estate planning, family office, account reconciliations, etc.) may apply. With the exception of Alternative Investment Placement Fees, SWM does not receive performance-based fees (fees based upon capital gains or appreciation on a client's assets). You will pay fees and costs whether you make money or not 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 will be paying.

**For additional information** please refer to SWM's ADV Part 2A, Items 4 and 7, which can be found at <https://adviserinfo.sec.gov/firm/summary/145594> or from Sendero Wealth Management's Website.

**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?"

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

*Broker-Dealer Services*  
Brokerage Accounts

**Response:** When we provide you with a recommendation as your broker-dealer or act as your investment adviser, we must act in your best interest and not put our interests ahead of yours. We must abide by certain laws and regulations in our interactions with you. At the same time, the way we make money creates some conflicts in your interests. You should understand and ask us about those conflicts because they can affect the recommendations, we provide you.

For example, a conflict of interest arises because Sendero Securities may receive compensation for any investment you purchase even though the cost to you does not increase. Another conflict exists when we recommend a brokerage account versus an advisory account with an affiliate, in that Sendero Securities may receive more in placement and performance fees, as noted above, than it may receive in advisory fees.

*Investment Adviser Services*  
Advisory Accounts

**Response:** When we provide you with a recommendation as your broker-dealer or act as your investment adviser, we must act in your best interest and not put our interests ahead of yours. We must abide by certain laws and regulations in our interactions with you. 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 affect the recommendations, we provide you.

A few examples of these conflicts are as follows. SWM may recommend to client's investments, where SWM has a placement fee relationship through Sendero Securities. Such relationships will result in Sendero Securities receiving a portion of the ongoing manager fees. Such fees may present a conflict of interest as SWM may have an incentive to recommend these securities even though the cost to you does not increase. A potential conflict arises from a Sendero Partner being married to a senior manager at one of the Investment Managers SWM may recommend to clients. Such recommendation creates a conflict of interest and may benefit the individual Sendero Partner. SWM works to put the interest of its clients first as part of our fiduciary duty as an investment adviser; and takes steps to address and mitigate conflicts of interest that may arise. Please refer to Item 10 of SWM's ADV Part 2A for additional information regarding conflicts of interest.

**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 SWM's ADV Part 2A, Items 10, 11 and 12, which can be found at <https://adviserinfo.sec.gov/firm/summary/145594> or from Sendero Wealth Management's Website.

**How do your financial professionals make money?**

*Broker-Dealer Services*  
Brokerage Accounts

**Response:** All of the individuals associated with Sendero Securities receive a salary from SWM and a potential bonus which is based upon the parent company's overall profitability and is determined

*Investment Adviser Services*  
Advisory Accounts

**Response:** Most of the individuals with SWM, receive a salary and a potential discretionary bonus, based upon the parent company's profitability. Some of the individuals associated with SWM, have an additional

solely at the discretion of senior management of the parent company. As such, Sendero Securities believes it has eliminated the potential for a conflict of interest being created between your advisor and you, when they make a recommendation to you.

by the amount of assets which are under their management, which could result in a conflict of interest. Please refer to SWM's ADV Part 2B which can be accessed at: Sendero Wealth Management's Website.

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

**Response:** No, neither Sendero Securities nor SWM or any individual associated with these companies has any disciplinary history. For more information, visit [www.Investor.gov/CRS](http://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?

### **Who will be my primary contact person?**

**Conversation Starter.** Ask your financial professional – Who is my primary contact person? Is he or she a representative of an investment-advisor or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?

**Additional Information** If you would like additional, up-to-date information or a copy of this disclosure, please call Lisa Kahn-Smith at (210) 805-0171 or send an e-mail to [lkahn-smith@sendero.com](mailto:lkahn-smith@sendero.com).

Alternative investments may be offered by broker-dealer, Sendero Securities, LLC, member FINRA/SIPC, an affiliate of Sendero Wealth Management, LLC and Sendero Family Enterprise, LLC. Investment management services are not provided by Sendero Family Enterprise, LLC.