Relationship Summary
March 2026

This disclosure provides information about two affiliated companies, **Chelsea Advisory Services,** an investment adviser registered with the Securities and Exchange Commission, and **Chelsea Financial Services**, member **FINRA**, a broker-dealer registered with the Securities and Exchange Commission.

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 professional at **Investor.gov/CRS**, which also provides educational materials about broker-dealer, investment advisers, and investing.

Throughout this Relationship Summary, we've included "conversation starters" set off from the main text in a different font. We encourage you to ask your representative these questions to help you better understand the services we offer, the fees we charge, and other important elements of the relationship.

What investment services and advice can you provide me?

We offer both brokerage services and investment advisory services to retail investors. Most of our representatives can provide brokerage services, but only some can also provide investment advisory services.

Brokerage Services	Advisory Services
We buy and sell securities for you after obtaining your prior consent.	We buy and sell securities for you on either a discretionary or non-discretionary basis.
We make periodic recommendations to you about which securities to buy or sell and receive a commission when you do so.	We receive an ongoing asset-based fee for our services, regardless of whether you make a trade.
We do not monitor your investments; instead, we review your brokerage holdings periodically and then choose whether to recommend that you buy or sell something.	We provide ongoing investment monitoring and advice.
We must obtain your consent prior to buying or selling securities for you. You must make the ultimate decision regarding the purchase or sale of investments we recommend.	The investment advisory agreement you execute with us specifies whether we have the authority to make trades for you without obtaining prior consent (discretionary authority). We will accept written limits on our discretionary authority as long as we believe we can continue to serve your best interest in light of those restrictions. For non-discretionary accounts, you must make the ultimate decision regarding the purchase or sale of investment we recommend.

Both our broker-dealer and our investment adviser have access to many types of investment products, none of which are proprietary. Neither firm has any account minimums, but typically we will recommend an advisory account with Chelsea Advisory only if you have at least $10,000 to invest through us. We don't earn both commissions and advisory fees on the same assets; clients must decide whether to open a brokerage account, an advisory account, or both.

More detailed information is available in Chelsea Advisory's ADV Part 2A brochure, Items 4 and 7, which is available by visiting the following section of our website: chfs.com/wp-content/uploads/FormADV-2A.pdf. You can also find more detailed information about Chelsea Financial by visiting our Reg BI disclosures on our website: chfs.com/RegBIDisclosure.

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?

If you have a brokerage account, we receive transaction-based fees (commissions). If you have an advisory account, we receive ongoing asset-based fees or fixed or hourly financial planning fees.

The primary costs for brokerage accounts

Our broker-dealer frequently receives up-front "loads" on mutual funds or variable annuities we recommend. We also receive ongoing asset-based "trail" commissions on these products, depending on the specific product purchased. Both the load and the trail are commissions built into the price of the investment and paid to us by the fund company or insurance company that sponsors the investment. These commissions increase the overall operating expenses of the fund or variable annuity and therefore reduce return. When we recommend an individual stock or bond, we are paid a commission that is added to the cost of purchase or deducted from the sale proceeds. For accounts held at Hilltop, we don't have a set commission schedule, and each representative determines their own per-trade charges. We permit a minimum commission of up to $100 per trade. This can represent a significant percentage of the overall value of any given trade. Our broker-dealer and your investment representative earn more money when you agree to more trades in your account. This is a conflict of interest and our representative has a financial incentive to encourage you to trade more often.

The primary costs for advisory accounts

Our investment advisor charges only asset-based fees or agreed-on financial planning fees, though our affiliated broker-dealer introduces managed accounts to the custodian and has negotiated an asset-based fee with the custodian to cover trades executed in your account. The custodian deducts

the amount due to them before remitting our advisory fees to us. The asset-based fee charged by the custodian does not increase your overall advisory fee specified in your advisory agreement. Our fee schedule is provided in Item 5 of our ADV 2A; our fees are negotiable and your specific fees will be detailed in your investment advisory or financial planning agreement. There are two primary conflicts with our advisory fees. The first is that you will pay more in fees when you have more assets in the account; this gives us a financial incentive to encourage you to increase the assets we manage for you, including by transferring assets to us from other financial services firms. The second conflict is that we receive ongoing fees whether or not we make trades for your account. This gives us a financial incentive to spend more time making recommendations to brokerage accounts to earn transaction-based fees, while also earning ongoing asset-based fees from advisory accounts.

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?

Other fees and costs you will pay

The custodian holding your assets will assess SEC fees on applicable transactions, and will also charge other administrative and service fees, such as fees for wires, as disclosed in the custodian fee schedule provided when you open your account. Chelsea Financial also charges annual account maintenance fees of $90 on non-retirement accounts and $50 for retirement accounts. These fees apply to both brokerage and advisory accounts held with Hilltop. The custodian charges a fee of $50 per year for IRA accounts. You will also be charged a per-trade postage and handling fee if you do not opt-in to electronic confirm and statement delivery. This fee, if applicable, is shared between Chelsea Financial and Hilltop. Mutual funds, exchange-traded funds, and variable annuities also have built-in expenses that are paid to the manager of the funds, as well as the sponsor or administrator. These expenses exist regardless of whether the fund/annuity company pays commissions or trails to brokers; the expenses are typically lower for funds/annuities that do not pay commissions or trails.

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. More detailed information about our fees and costs is found in Item 5.A., B., C and D of Chelsea Advisory's ADV Part 2A, available at chfs.com/wp-content/uploads/FormADV-2A.pdf, and in Chelsea Financial's Reg BI disclosures, available at chfs.com/RegBIDisclosure.

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 conflicts of interest do you have?

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

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

We've described above the primary conflicts associated with your brokerage account paying fees when you make trades, and with your advisory account paying ongoing fees based on the amount of assets we manage. The other main conflict that applies to both brokerage and advisory accounts is our use of Hilltop Securities, an unaffiliated broker-dealer and custodian, that Chelsea Financial has an introducing broker relationship with. By keeping all accounts at Hilltop, Chelsea Financial earns more revenue by sharing in margin or credit interest, as well as rebates on bank sweep products and money market funds, to the extent they are available from Hilltop. We also obtain operational efficiencies by using the same back-office staff to manage both brokerage and advisory accounts. You may pay more in overall costs due to our decision to use Hilltop Securities for advisory and brokerage relationships.

You can read more about our specific conflicts of interest by reading Chelsea Advisory's ADV Part 2A, available at chfs.com/wp-content/uploads/FormADV-2A.pdf, or Chelsea Financial's Reg BI disclosures, available at chfs.com/RegBIDisclosure.

How do your financial professionals make money?

Our brokers and advisory representatives are paid a percentage of the commissions generated by your brokerage account and/or a percentage of the fees generated by your advisory account. Each representative's payout is negotiated separately, but there is not a different payout percentage for brokerage and advisory accounts. Not all of our financial professionals are able to provide both brokerage and advisory services.

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

Yes. Please visit **Investor.gov/CRS** for a free and simple search tool to research us and our financial professionals.

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

To obtain additional information about our brokerage and advisory services, and to request another copy or an updated version of this Relationship Summary, please call us toll-free at 866.898.5800 and ask to speak with our Compliance Department.

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?