

FOLIONET FINANCIAL LLC FORM CRS RELATIONSHIP SUMMARY

1. INTRODUCTION

FOLIONET FINANCIAL LLC (“FOLIONET”) is registered with the Securities and Exchange Commission (the “SEC”) as a broker-dealer. It is also a member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investor Protection Corporation (SIPC). This summary describes the products and services that are available from us in each capacity. The type and level of investment brokerage services we offer, and the cost of each offering, differs materially. Accordingly, it is important for you to understand these differences. Free and simple tools are available to enable investors to research investment firms and professionals at investor.gov/CRS. This website also provides educational materials about investment advisors, broker-dealers, and investing.

2. WHAT INVESTMENT SERVICES AND ADVICE CAN YOU PROVIDE ME?

FOLIONET PRIVATE WEALTH MANAGEMENT (“FPWM”). Our brokerage services currently include buying and selling securities for client accounts. These services are typically offered as an accommodation to our clients, and we do not typically exercise discretion over the purchase or sale of securities in your brokerage account(s). Although you make the ultimate decision regarding each sale or purchase of securities in your nondiscretionary brokerage account(s), under certain circumstances we might provide advice on these transactions. Unless we agree otherwise in writing, we do not monitor your nondiscretionary brokerage portfolio on an ongoing basis.

Funds and securities through FPWM will be custodied by StoneX Financial Inc (“StoneX”), which services your account by executing, clearing and settling your trades. Also, they prepare and distribute your account statements and trade confirmations, in addition to extending credit to margin accounts.

At FPWM we offer stocks that trade through NYSE and NASDAQ, exchange traded funds (“ETFs”), options, American depository receipts (“ADRs”), ADRs traded in over-the-counter markets, mutual funds, structured products, as well as corporate and government bonds. We do not offer proprietary products or limit our platform to products that pay us revenue sharing or other compensation.

FOLIONET. This is our online trading platform that offers brokerage services to retail investors. Our services involve effecting securities transactions for investors exclusively online. We buy and sell securities only at your direction and we do not offer recommendations of securities, strategies involving securities or securities accounts to you. We do not monitor your account or individual investments, unless we state otherwise in writing. We do not have any account minimums.

Funds and securities through Folionet will be custodied by Apex Clearing (“Apex”), which services your account by executing, clearing and settling your trades. Also, they prepare and distribute your account statements and trade confirmations, in addition to extending credit to margin accounts.

At Folionet we offer stocks that trade through NYSE and NASDAQ, exchange traded funds (“ETFs”), American depository receipts (“ADRs”), as well as certain stocks and ADRs traded in over-the-counter markets. We do not offer proprietary products or limit our platform to products that pay us revenue sharing or other compensation.

Conversation Starters. *Questions to ask our financial professionals.*

- *Should I choose a brokerage service? Why or why not?*
- *What’s your investment philosophy and how will you choose investments for my portfolio?*
- *What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?*
- *How will you monitor my assets that you don’t directly manage?*
- *Where will my assets be held?*

3. FEES, COSTS, CONFLICTS, AND STANDARD OF CONDUCT

3A. What Fees Will I Pay?

FPWM. The costs you incur in a brokerage account are based on specific brokerage transactions and not the aggregate value of assets in your account.

With stocks, bonds, structured products, options or exchange-traded funds, this cost is typically a brokerage commission in addition to the price of the investment. With other investments, such as mutual funds, this cost (typically called a “load”) reduces the value of your investment. Some investments (such as mutual funds and exchange-traded funds) impose additional costs or fees, including management and administrative fees, servicing or marketing expenses, transfer agent fees, and sales charges, that might reduce the value of your investment over time. If you borrow on a margin account at FPWM, StoneX charges a percentage on funds you borrow, and we receive a portion of the interest percentage charged.

We may charge you additional fees, such as account maintenance fees. Visit our website for more information on our Fee Schedule. In most cases, the more transactions in your nondiscretionary brokerage account(s), the more you will pay. We therefore have an incentive to encourage you to engage in transactions in a nondiscretionary brokerage account.

FOLIONET. Folionet charges fees for executing buy and sell orders on the Folionet platform. Other fees may also apply. All orders are sent directly to the clearing firm. The clearing firm routes the orders to the market, in turn, the clearing firms shares, and we receive, a portion of payments for order flow. The other charges you should expect to pay us include interest charges, only if you hold a margin account and have an outstanding debit balance. Apex charges a percentage on funds you borrow to purchase securities in a margin account, and we receive a portion of the interest percentage charged.

At FPWM and Folionet 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 more information about fees and costs, please refer to our Fee Schedule on our website. Fees may change without notice and any changes will be reflected in the fee schedules. If we agree to act as custodian for an Investment Advisory Account, you may not pay any fees other than those your Investment Advisor charges you.

Conversation Starters. *Questions to ask our financial professionals.*

Help me understand how these fees and costs might affect my investments. If I give you \$1,000,000 to invest, how much will go to commissions and costs, and how much will be invested for me

3B. What are your legal obligations to me when providing recommendations? How else does your firm make money and what conflicts of interest do you have?

When we provide you with a recommendation, we must 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 we provide you.

Here are some examples to help you understand what this means.

- We may buy and sell your investment through our own accounts (called “acting as a principal”) and we can earn a profit on these trades.
- If you borrow funds on a margin account, we make a percentage of the total amount you pay the clearing firm.
- We receive payment for order flow and securities lending from Apex for executing customer orders.
- For more information on our disclosures please visit www.folionet.com.

Conversation Starters. *Questions to ask our financial professionals.*

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

3C. How do your financial professionals make money?

Generally, our financial professionals earn a commission based on the transactions that you do in your account. We do not pay our financial professionals’ additional salary or incentive compensation for any fees generated by any third-party products.

As our financial professionals at FPWM are compensated based on your brokerage transactions, a conflict of interest might exist in the recommendations that our financial professionals provide to you.

Conversation Starters. *Questions to ask our financial professionals.*

Is it worth paying for financial advice or would I be better off doing it myself?

4. DO YOU OR YOUR FINANCIAL PROFESSIONALS HAVE LEGAL OR DISCIPLINARY HISTORY?

No. Visit www.investor.gov/CRS for a free and simple search tool to research us and our financial professionals. For additional information about our brokers and services, visit <https://brokercheck.finra.org/>, our web site www.folionet.com and refer to your account agreement.

Conversation Starters. *Questions to ask our financial professionals.*

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

5. ADDITIONAL INFORMATION

- You may find additional information about our brokerage services at our website www.folionet.com.
- You may request a copy of the Form CRS Relationship Summary by contacting your investment professional or visiting www.folionet.com. You may also call **786-294-0585** for a copy or to request up-to-date information or email support@folionet.com.

Conversation Starters. *Questions to ask our financial professionals.*

Who is the primary contact person for my account? Is he or she a registered representative of a broker-dealer? If I have concerns about how this person is treating me, who can I talk to?