

# Form CRS

May 11, 2020

## INTRODUCTION

SPRING MOUNTAIN CAPITAL, LP is registered with the Securities and Exchange Commission as an investment adviser. Fees for brokerage and investment advisory services differ among broker-dealers and investment advisers and it is important that you understand the differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://www.investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

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

As a registered investment adviser, we offer portfolio management services to retail investors. We offer ongoing management services to retail investors with accounts that meet our initial minimum investment and ongoing account size requirements. We will continuously monitor your investments and provide advice. When you engage us for portfolio management services, you may sign an investment advisory agreement that gives us discretionary authority to determine the investments to buy and sell in your account. You may impose reasonable restrictions on our discretionary authority, which must be provided to us in writing and accepted by us. If you prefer, you may retain discretion and make the ultimate decision regarding the investments we purchase or sell in your account.

SMC provides continuous investment management services to a number of pooled investment vehicles and to a limited number of separate accounts. SMC also offers family office services which are charged on a fixed fee basis. Our portfolio management services also include acting as a portfolio manager to a wrap fee program. As the portfolio manager for (a) wrap fee program(s) we provide the portfolio management services described. Our agreement with you may be a three-party agreement including the sponsor of the program. The agreement will set forth the specific responsibilities of the program sponsor and of us. Our investment advice is not limited to proprietary products or to a limited menu of products or types of investments.

You are encouraged to ask us questions including the following to help you better understand our services: *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?*

## What fees will I pay?

SMC charges an annual fee for investment services as a percentage of assets under management that generally ranges from 0.10% to 0.40%. The exact fee for each client will be negotiated and will be based on the total assets under management, complexity of investment guidelines or restrictions initiated by a client, or report services required/requested by the client, among other factors. You should be aware that the more assets there are in your account, the more you will pay in fees. This means we have an incentive to encourage you to increase the assets in your account. We also charge a fixed fee for family office services.

Please refer to our [Form ADV, Part 2A Brochure](#) for more detailed information about our services.

For its private funds only, SMC charges a performance-based fee in which we receive a portion of the investment gains in your account. Performance-based fee arrangements can create an incentive for SMC to recommend investments that may be riskier or more speculative than those that would be recommended under a different fee arrangement.

Asset-based fees associated with a wrap fee program will include most transaction costs and fees paid to a broker-dealer or bank that has custody of the assets, and therefore are higher than a typical asset-based advisory fee.

In addition to our fees, you may incur additional fees and costs related to the investments in your account, such as custodian fees, account maintenance fees, transaction costs, surrender charges, wire transfer and electronic fund fees, internal management fees of mutual funds and variable annuities, and other product related fees such as redemption fees.

**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.**

**Please refer to our [Form ADV, Part 2A Brochure](#) for more detailed information about our fees and your investment costs.**

You are encouraged to ask us questions including the following to help you better understand the impact of fees and costs on investments: *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 acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?**

*When we act as your investment adviser*, we are fiduciaries to you and have to act in your best interest at all times 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 investment advice we provide you. Here are some examples to help you understand what this means.

- Our affiliates receive additional compensation when you participate in our private funds. SMC is registered as a commodity pool operator and a commodity trading advisor for its private funds only. This is a conflict of interest because we have an incentive to recommend these investments to you rather than investments that our affiliates do not issue or sponsor.

You are encouraged to ask us questions including the following to help you better understand our conflicts of interest: *How might your conflicts of interest affect me, and how will you address them?*

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

Our financial professionals receive a salary and a discretionary bonus based on their individual performance and the success of the firm. This is a conflict of interest because our financial professionals have an incentive to encourage a retail investor to increase the assets in a retail investor's accounts.

**Please refer to our [Form ADV, Part 2A Brochure](#) for more detailed information about our conflicts of interest.**

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

Yes, please visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research our firm and your financial professional.

You are encouraged to ask us questions including the following to help you better understand our disciplinary history: *As a financial professional, do you have any disciplinary history? For what type of conduct?*

## **Additional Information**

**Please refer to our [Form ADV, Part 2A Brochure](#) for more information about our services. You may request updated information and a copy of our Relationship Summary by contacting us at (212) 292-7050.**

You are encouraged to ask us questions including the following to help you better understand who to contact with any questions or complaints: *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?*