

Introduction

We are Donnelly Penman & Partners (“DPP”), is registered with the Securities and Exchange Commissions and FINRA as a broker-dealer. Brokerage and investment advisory services and fees differ, and it is important for the retail investor to 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. Our firm and financial professionals’ registration information are also publicly available on the [Investor.gov](https://www.investor.gov) website.

Relationships & Services

What investment services and advice can you provide me?

We offer investment banking advisory services to companies, which include the provision of fairness opinions, raising capital through private placements of securities (the only service available to individual investors), corporate advisory, and underwriting securities on a best efforts basis. We are not an investment advisor and do not provide investment advisory services, portfolio management, or advice or recommendations about your overall investment portfolio or the types of account(s) you should have. We do not give advice or make recommendations about specific securities, types of securities or investment strategies involving securities. Our brokerage business is narrowly focused on the sale of securities issued by the companies that we represent and secondary transactions in private securities. We offer investments in private or unregistered securities to retail investors, including executing transactions in private placements and other exempt offerings under Reg D for issuers we represent. Limitations to these offerings include: they are illiquid, speculative, and high risk; they may not be suitable for you; the required minimum investment may be high; most offerings are only available to accredited investors; fees and expenses are higher than other investments. Other risks are described more fully in the offering materials for each investment. To the extent that a solicitation or call to action is deemed to be a recommendation under U.S. law or regulation, you should be aware that we are inherently conflicted with your interests and you should seek advice from an investment advisor or a broker who will act as your agent.

Conversation Starters

Ask your financial professional:

- Given my financial situation, should I choose a brokerage 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?

Fees, Costs, Conflicts & Standard of Conduct

What fees will I pay?

You pay us fees, directly or indirectly through the issuer or its sponsor that has retained us, through which you make your investment. These fees vary depending on the issuer, type of security, number and size of transactions, account balance, and nature of services. 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. Our fees for private placements are expressed as a percentage of the capital raised, and as it relates to an individual investor, a percentage of the total amount you are willing to invest. A description of the fees is provided in the offering documents provided before any subscriptions are accepted.

Conversation Starters

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 acting as my broker-dealer? How else does your firm make money and what conflicts of interest do you have?

We **do not** provide recommendations. If you seek such advice, you should establish a relationship with an investment advisor or broker to serve as your agent. If a solicitation or call to action were deemed to be a recommendation under U.S. law or regulations, then we would be subject to Regulation BI and we would be required to act in your best interest and not put our interest ahead of yours. The way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they could affect your investment results. Here are some examples to help you understand what this means: Here is an example to help you understand what this means:

- Donnelly Penman & Partners is typically engaged by the company looking to raise capital or perform some other corporate advisory service. Being engaged by the company represents a conflict of interest in that we are economically incented to raise capital for the company. If you are considering a private placement transaction, we strongly advise you to read the offering documents carefully and consult with your financial, legal, and tax advisors prior to subscribing.

Conversation Starters

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

How do your financial professionals make money?

DPP has both salaried personnel and independent contractors. Our financial professionals are paid a salary and discretionary bonus based upon their individual performance and firm performance and some independent contractors receive commissions. In this regard we have a conflict of interest in that we are economically incented to sell interests in the private placement, which could be viewed as contrary to your interests.

Disciplinary History

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

Yes. You can visit [Investor.gov/CRS](https://www.investor.gov/CRS) for a free and simple search tool to research our firm and our financial professionals.

Conversation Starters

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

Additional Information

Additional information about us and the brokerage services we offer can be found on our website at <https://www.donnelypenman.com>. If you have any questions or would like to receive an up-to-date copy of this relationship summary, email info@donnelypenman.com or call (313) 446-9900.

Conversation Starters

- 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?

You can find additional information about our investment services at [Investor.gov/CRS](https://www.investor.gov/CRS). You may also request a printed copy of this Relationship Summary by contacting us at 313-446-9900 or via email to Bonnie Somerville at bsomerville@donnelypenman.com.