



## ENVERRA CAPITAL, LLC

### SEC Form CRS: Customer Relationship Summary July 21, 2022

#### Introduction

Enverra Capital, LLC, (“Enverra” or the “Firm”) is a broker-dealer registered with the Securities & Exchange Commission (the “SEC”). The Firm is a member of the Financial Regulatory Authority (“FINRA”), and a member of Securities Investor Protection Corporation (“SIPC”). The Firm does not carry any customer accounts. Free and simple tools are available to research firms and financial professionals at <https://www.investor.gov/CRS>, which also provides educational materials about broker-dealers, investment advisers, and investing.

#### Relationship and Services

**What investment services and advice can you provide me?** We offer Brokerage Services:

**Brokerage Services:** Our principal (primary) brokerage services are to provide assistance in making investments in unregistered securities sold by issuers in private placements. The Firm assists issuers by providing them financial advice (for example, regarding mergers and acquisitions) and assisting them in making private placements of their securities. In most cases, the issuers set a minimum threshold on the size of investments, which may vary from one issuer or offering to another. In some cases, securities are offered only to institutional investors, in others they may also be made available to high net worth retail investors. The Firm does not recommend securities transactions other than in connection with the private placements in which it is engaged. In addition, the Firm does not carry any customer accounts.

The specific types of investments we would recommend to you (or any other investor) will include your financial circumstances and needs, and your experience and familiarity with different investments.

Once investors have purchased securities in the private placements we recommend, Enverra does not monitor the investments or make recommendations to investors on holding or disposing of their investments.

**Conversation Starter - Ask a Enverra financial professional the following additional questions to start a conversation about relationships and services:**

*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 and Standard of Conduct

##### What Fees will I Pay?

**Brokerage Services:** In return for its private placement services, the issuers engaged by the Firm pay Enverra a fee, typically set at a percentage of the dollar amount of the securities sold (the “private placement fees”). This fee may vary from one transaction to another but is generally the same for all sales that are part of the same private placement. Investors like you do not pay any fees to us or the issuer of the private placement beyond these payments made to us by the issuer.

However, you should be aware of the fees the issuer pays the Firm. The issuer pays us our private placement fees out of the proceeds of investments made by you and other investors referred to the issuer by the Firm. As a result, these fees serve to reduce the amount of your investment that the issuer may use for its own business, and therefore may reduce any amount of money you make on your investment over time. The issuer pays our private placement fees regardless of whether the offering is considered a success and regardless of whether you make or lose money on your investment.

The payments summarized above create incentives for us to recommend that you invest in the issuers that we introduce to you. They also create incentives for us to recommend investments that pay us fees, and that pay us higher fees than other investment alternatives.

**Other Fees and Costs:** In addition to brokerage services fees, you may pay some additional charges. Examples include management fees charged by the issuer, wire transfer fees, administration fees, and charges for special services you request.



**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.**

**Conversation Starter - Ask an Enverra financial professional the following additional questions to start a conversation about relationships and services:**

***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? How else does your Firm make money and what conflicts of interest do you have?**

**When we provide you with a recommendation**, 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 creates some conflicts with your interests. You should understand and ask about these conflicts because they can affect the recommendations and investment opportunities, we provide you. Here are some examples to help you understand what this means:

- Personnel of our Firm may also be directors of or advisors to the issuer, giving us additional incentives to recommend its securities.
- We are engaged by the issuer that is selling the securities we recommend to you, and we generally are only paid by the issuer if we are able to sell the securities it offers.
- Success in completing one private placement can open the door to additional business opportunities for us, both in attracting other issuers and new investors.

These financial incentives can create a conflict with our duty to act in your best interest in connection with a particular investment recommendation.

**Conversation Starter - Ask a Enverra financial professional the following question to start a conversation about conflicts of interest:**

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

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

While certain of the financial professionals at the Firm are paid salaries, for most of them compensation is tied to the financial advisory and private placement fees received by the Firm and to its overall profitability. The Firm uses a formula to guide it in allocating the profits from revenues received from the closing of private placements. Some of the financial professionals at the Firm are also owners of the Firm. Their return as owners is based on the overall profitability of the Firm.

Both commissions and other charges for brokerage services, and other fees, count toward our financial professionals' production. Both our Firm and our financial professionals will receive more compensation if you to buy securities often, and buy larger amounts of securities, creating a conflict of interest. We also receive higher fees for some transactions and brokerage programs than others. This creates conflicts of interest when our financial professionals make recommendations about account types.

**Conversation Starter - Ask a Enverra financial professional the following questions to start a conversation about his or her disciplinary history:**

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

## **Disciplinary History**

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

**No.** Visit [www.brokercheck.com](http://www.brokercheck.com) for a free and simple search tool to research us and our financial professionals.

## **Additional Information:**

You can also request up-to-date information or a copy of this Customer Relationship Summary by calling us at +1 202 429 1844



**Conversation Starter - Ask a Enverra financial professional the following questions to start a conversation about the contacts and 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?***

**Who is my primary contact person?**

You should contact Elin Cherry at +1 202.429.1844. Ms. Cherry is the Chief Compliance Officer of Enverra Capital, LLC.