

**A HOVDE GROUP, LLC**  
**FORM CRS RELATIONSHIP SUMMARY<sup>1</sup>**

**June 1, 2020**

**1 Introduction**

Hovde Group, LLC (“Hovde Group,” “we,” “us,” or “our”) is registered with the U.S. Securities & Exchange Commission (“SEC”) as a broker-dealer that provides brokerage accounts and services. Hovde Group, LLC is a member of the Financial Industry Regulation Authority, Inc. (“FINRA”), the Securities Investor Protection Corporation (“SIPC”) and the NASDAQ Stock Exchange. Brokerage and investment advisory services and fees differ; it is important for you to understand the differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](http://Investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

**2 What Investment Services and Advice Can You Provide Me?**

- The brokerage services we provide include buying and selling equity securities and recommending investments to retail investors.<sup>2</sup> We may execute trades on a principal basis. We also are an investment bank that works with companies to raise capital (called “underwriting”) by issuing publicly traded securities as well as unregistered private securities (called “private placements”). We offer cash and margin accounts for retail, corporate and institutional customers.
- We do not have specific requirements for opening an account and do not require a minimum account or investment size. Some of the products or services that we offer may have requirements which are detailed in their offering documents.
- We do not make decisions for your accounts. For that reason you are responsible for your investment decisions. We do not provide services designed to assist you in developing and executing your investment strategy or monitoring the performance of your account. We do not monitor your account or investments on an ongoing basis unless we agree to in advance in writing.
- ***Additional Information:*** You can find further information at [www.hovdegroup.com](http://www.hovdegroup.com).

***Conversation Starters - Questions to ask:***

- *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?*

**3 A. What Fees Will I Pay?**

- The fees you pay are based on specific transactions and not on the value of your account (“transaction-based fees”).
- With stocks or exchange-traded funds, our fee is usually a commission. With other investments, such as bonds, we earn a fee by marking the price up (when selling to you) or down (when buying from you). This fee is called a mark-up or mark-down. When we act as principal, including when we sell or buy bonds to or from you or act as underwriter or dealer in a public offering of stock, our compensation is typically embedded in the price of the investment you buy or sell. We generally will mark the price of your investment up or down and may also earn embedded commissions, underwriting discounts, dealer concessions and spreads.
- We also charge additional fees such as custodian fees, account maintenance fees, and account inactivity fees.

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<sup>1</sup> This disclosure is provided to comply with the SEC’s Form CRS disclosure requirements. It does not create or modify any agreement, relationship, or obligation between Hovde Group, LLC (or your financial professional). Please consult your Hovde Group, LLC agreements for all terms and conditions controlling your account and relationship with us.

<sup>2</sup> “Retail investor” is a natural person, or the legal representative of a natural person, who receives or seeks to receive services primarily for personal, family, or household purposes. You are not a retail investor if you use our services primarily for purposes other than personal, family, or household purposes.

- The more transactions in your account, the more fees we will charge you. We therefore have an incentive to encourage you to engage in transactions.
- **Additional Information:** *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.*  
You can find further information at [www.hovdegroup.com](http://www.hovdegroup.com).

**Conversation Starter - Question to ask:**

*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?*

### 3 B. 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 us about these conflicts because they can affect the recommendations we provide you. Here are some examples to help you understand what this means.*

- When we buy and sell your investments through our own accounts (called “acting as principal”), we earn a mark-up or mark-down.
- We do not participate in any revenue sharing or receive payments from third-parties for selling you their products. We do not offering any proprietary products.

**Conversation Starter - Question to ask:**

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

- **Additional Information:** You may find further information at [www.hovdegroup.com](http://www.hovdegroup.com).

### 3 C. How do your financial professionals make money?

Hovde Group’s equity sales team members are compensated on either commission or a salary plus commission combination. The more transactions in your account, the more commissions will be generated. Our sales team members therefore have an incentive to encourage you to engage in transactions. Our sales team members do not receive non-cash compensation.

### 4 Do You or Your Financial Professionals Have Legal or Disciplinary History?

Yes. Visit [Investor.gov/CRS](http://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 FINRA’s Brokercheck website at <https://brokercheck.finra.org/>, our web site at [www.hovdegroup.com](http://www.hovdegroup.com)

**Conversation Starter - Questions to ask:**

*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.hovdegroup.com](http://www.hovdegroup.com).
- You may request up-to-date information and a copy of the Form CRS Relationship Summary by contacting your investment professional or [compliance@hovdegroup.com](mailto:compliance@hovdegroup.com). You may also call us at (312) 361-1810 for a copy or to request up-to-date information.

**Questions to ask:**

*Who is the 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?*