

FORM CRS RELATIONSHIP SUMMARY

1. INTRODUCTION

Douglas Scott Securities, Inc. (DS) is registered with the SEC as a broker-dealer that provides access to direct participation programs. DSS is also a member of FINRA and SIPC. Across the industry, brokerage services and fees differ and it is important for the retail investor to understand the difference. There are free and simple tools available to research firms and financial professionals at Investor.gov/CRS. This site also provides educational materials about broker-dealers, investment advisors and investing.

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

We are limited to offering investments in private placement of securities. Investments are made directly through subscriptions via a specific Private Placement Memorandum (PPM). Our recommendations are limited solely to the programs offered by our firm. These programs have a very specific target audience and all have similar investment goals. On their own, they will not create a balanced investment portfolio, but may play an important role in an already existing one. We will not exercise investment authority over your investment funds. You will have the sole discretion as to whether to invest in programs we offer. We will not provide general investment monitoring oversight for the investments.

Our investment opportunities are not registered with the Securities and Exchange Commission or any State. Further, our offered investments are illiquid. Investors should expect to hold their investments and to not be able to liquidate such investments on a secondary market.

Conversation Starters:

- *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. WHAT FEES WILL I PAY?

3a. Description of Principal Fees and Costs:

Douglas Scott Securities, Inc. offers private placements of securities or direct participation programs. If you invest in a direct participation program, you will pay us a **transaction-based fee**, generally referred to a commission, every time you purchase an investment. You may select investments or one of our financial professionals may recommend investments for your account, but the ultimate investment decision as to your investment strategy and the purchase of investments will be yours. 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 understand what fees and costs you are paying.

- You will find the total commission charged in each offering's Private Placement Memorandum.

Conversation Starter:

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?

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 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.

Examples of conflicts of interest:

- Details of these ownership relationships and fee structures can be found in the Company Agreement and Private Placement Memorandum of each respective offering.
- We derive our revenue from commissions received only after we sell a security. This transaction-based compensation could create a conflict of interest with acting in your best interest.

Conversation Starter:

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

3c. How do your financial professions make money?

Douglas Scott Securities, Inc. and its registered representatives are compensated through commissions when you make your investment and in some cases through ownership in the actual entity offering the investment.

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

Yes. Some of our financial professionals have this history.

Visit www.investor.gov/CRS for a free and simple search tool to research disciplinary history of registered representatives and broker/dealers. For additional information about our brokers and services, visit <https://brokercheck.finra.org/>

Conversation Starter:

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.douglascottsecurities.com
- You may request a copy of the Form CRS Relationship Summary by contacting your investment professional or Douglas Scott Securities, Inc., 1700 Alma Drive, Suite 110A, Plano, Texas 75075
Phone: (972) 235-8468

Questions to ask?

Who is my primary contact person? Is he or she a representative of an investment advisor or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?