

CND FINANCIAL LTD.

Form CRS- Customer Relationship Summary

CND Financial Ltd. (referred to as “we”, “us”, or “CND”) is registered with the US Securities and Exchange Commission (SEC) as a broker-dealer and is a member of the Financial Industry Authority, Inc. (FINRA) and the Securities Investor Protection Corporation (SIPC). This relationship summary explains the various services CND offers, how we charge for those services, and conflicts of interest that exist when we provide our services.

Brokerage and investment advisory services and fees differ, and it is important for you to understand these differences. Free and simple tools are available to research firms and financial professionals at Investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisers, and investing. You should carefully consider which types of accounts and service are right for you.

What investment services and advice can you provide me?

We offer brokerage services to retail investors, including the opportunity to purchase bonds issued by churches pursuant to an exemption from SEC registration. The church bonds are secured by either a first or general mortgage on the property of the church. Bonds are only available in states where they are exempt or where the proper application for registration has been filed. Sales are made by prospectus only. All bonds are held at an independent custodian/trustee in book-entry form.

CND does not monitor your account as all bonds are purchased with an intent to be held until maturity. There is no secondary market for church bonds.

All purchases are done on a non-discretionary basis. That means that the retail investor makes the ultimate decision regarding the purchase or sale of investments. A bond purchase cannot be finalized without a signed subscription agreement and delivery of a prospectus.

CND does not offer traditional products such as mutual funds, ETFs, or other listed securities. Its only investment offerings are church bonds.

There is no minimum amount required to open an account, but each bond issuer may set a minimum initial purchase amount. Typical minimum purchases range from \$250 to \$1000 with additional bonds purchased in \$250 increments.

Additional information. Please see Regulation Best Interest, as applicable.

Conversation Starters:

- 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?

What fees will I pay?

In Church bond transactions, the retail investor does not pay any fees or commissions for the purchase of the bonds. For example, if you invest \$1000, the entire \$1000 is the principal investment upon which interest is paid. Commissions for the sale of bonds are paid by the individual bond issuer out of bond proceeds. However, the retail investor would be responsible for an annual custodial fee if he or she elects to purchase the bond to be held in a self-directed IRA. The amount of the annual fee is determined by the custodian and not CND. CND does not receive any portion of the custodial fee.

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. Please see Regulation Best Interest, as applicable.

The above language is required by Regulation Best Interest but is not actually applicable to church bonds. All fees are paid by the bond issuer. The only fee paid by the retail investor is a custodial fee on a self-directed IRA.

Conversation Starter. 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 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.

CND charges the Issuer of the Church bonds both an underwriting fee for origination of the issue and commissions for the sale of bonds to its retail customers. Because our registered representatives are paid a commission based on the size of the bond purchase, they make more money if they sell more bonds. Such compensation creates an incentive to recommend larger purchases.

Conversation Starter. Ask you financial professional –

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

Additional information. Please see Regulation Best Interest and other applicable documents.

How do your financial professionals make money?

CND's financial professionals are compensated in two ways. For example, if they act as the originator on a church bond issue, then they earn a portion of the underwriting/consulting fee. If they act as a registered representative and sell church bonds to a retail investor, they are paid a commission which is a percentage of the total bonds purchased. All commissions and underwriting fees are paid by the bond issuer and not the retail investor. The principal amount of your investment is not reduced by the commission paid to the representative.

Your financial professional is legally required to act in your best interest and not put his or her interest above your own.

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

Yes. Visit Investor.gov/CRS for a free and simple search tool to research us and our financial professionals.

Additional Information

For additional information about our services, please visit www.cndfinancial.com. If you would like additional, up-to-date information or a copy of this disclosure, please call 830-438-5751

Conversation Starter. Ask your financial professional—

- **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?**