

Canton Hathaway, LLC

Client Relationship Summary (Form CRS)

September 23, 2021

Item 1: Introduction

Canton Hathaway, LLC is registered with the U.S. Securities and Exchange Commission (“SEC”) as an investment adviser. Investment advisory services and compensation structures differ from that of a registered broker-dealer, and it is important that you understand the differences. Free and simple tools are available to research firms and financial professionals at www.investor.gov/crs. The site also provides educational materials about broker-dealers, investment advisers and investing.

Item 2: Relationships and Services

What investment services and advice can you provide me?

We provide investment advisory services to retail investors. We consult with you to define your investment objectives, cash flow needs, investment time horizon, and tolerance for risk. Using that information we create an investment strategy tailored to your specific needs. We monitor client portfolios on a continuous basis and will meet with clients to discuss their portfolios on a quarterly basis. Most of our clients give us full discretion to manage their portfolios, meaning we have the authority to buy or sell securities in a clients’ portfolio consistent with their investment objectives. To the extent a client wishes to invest in a private offering (private equity, direct investments in real estate...) we do not take discretion over that decision, but rather must be directed by the client to make that investment on their behalf. The majority of our clients’ assets are invested in publicly traded stocks, bonds and ETFs, but occasionally we will offer clients the opportunity to invest in a private offering, but only if directed by the client. There is no minimum to open an account, however we generally look to work with clients who have at least \$2 million in investable assets. For more information on our services please see our Form ADV Part 2A, Items 4 and 7.

Conversation Starter:

- *Given my financial situation, should I choose an investment advisory 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?*

Item 3: Fees, Costs, Conflicts, and Standard of Conduct

What fees will I pay?

We charge an annual asset management fee depending on the amount of assets under management. Fees are paid monthly in arrears for our retail clients. Annual fees range from **0.90%** of assets under management for our smallest accounts to **0.60%** for our largest accounts. The fee is calculated by taking the total value of the assets under management at month end, multiplying it by the annual rate, and dividing by 12 to get a monthly rate. Fees are deducted from client accounts as described in our investment management agreement. The more assets there are in a retail investors account, the more fees they will pay, and therefore there is an incentive to encourage a client to increase assets under management. Your investment assets will be held at a qualified custodian, who may charge fees for custody, transactions, or other 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. For additional information please see our Form ADV Part 2A Item 5 for more information on our fees.

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?*

What are your legal obligations to me when acting as my investment advisor? How else does your firm make money and what conflicts of interest do you have?

When we act as your investment advisor, 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 investment advice we provide you. Here are some examples to help you understand what this means.

While it may be the best thing for your overall financial picture, the more assets you have under our management, the more you will pay in fees, which helps increase our revenue. This gives us the incentive to encourage you to increase the amount of assets you have under our management.

We may recommend private placements to our clients who are accredited investors, that have an affiliation with the Firm. We do not accept any fees or compensation from any private placement sponsor, nor do we recommend any investments that are not in our client's best interest.

Conversation Starter:

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

For additional information, please see our Form ADV Part 2A Items 6, 8, 10, 11 and 12 for more detailed information on our conflicts of interest.

How do your financial professionals make money?

Our financial professionals are compensated in several ways. Some are paid a percentage of the fees generated by the clients they service, while others are paid a fixed salary.

Item 4: Disciplinary History

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

Yes. Please visit Investor.gov/CRS for a free and simple search tool to research our firm and our financial professionals.

Conversation Starter:

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

Item 5: Additional Information

For additional information about our services or to request a copy of our Form ADV Part 2A or Form CRS please contact our Chief Compliance Officer, Nicholas Trotman at 401-433-7800.

Conversation Starter:

- *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?*