

## **Baron Capital, Inc. – Form CRS Customer Relationship Summary- July 29, 2022**

Baron Capital, Inc. (“BCI,” “we,” “our,” or “us”) is registered with the United States Securities and Exchange Commission (“SEC”) as a broker-dealer and is a member of the Financial Industry Regulatory Authority, Inc. (“FINRA”) and the Securities Investor Protection Corporation (“SIPC”). Brokerage and investment advisory services and fees differ. 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](https://www.investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

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

We offer limited brokerage services to you including recommending buying and selling interests in proprietary privately managed funds (the “Private Funds”), the distribution of publicly registered proprietary mutual funds (the “Mutual Funds”) managed by our SEC registered investment adviser affiliate, BAMCO, Inc. (“BAMCO”)(collectively, the Private Funds and Mutual Funds are the “Funds”). In addition, we may occasionally make introductions to our SEC-registered investment adviser affiliate, Baron Capital Management, Inc. (“BCM”), which in addition to managing the Private Funds, also offers potential clients both separately managed accounts (“SMAs”) and certain all-inclusive advisory and brokerage accounts sponsored by other broker-dealers (*i.e.*, not BCI) under a wrap-fee program, where BCM manages your investments, and the total fee you pay also covers brokerage, execution, clearing and custodial costs (“Wrap-Fee Accounts”). See [BCM Form CRS](#). Any recommendations you receive from us will be limited to investments in these products or services. For detailed information about the advisory services of BCM and BAMCO refer to their respective Forms ADV Brochures under Advisory Business and Types of Clients [BCM FORM ADV BROCHURE](#), [BAMCO FORM ADV BROCHURE](#).

Minimum investment amounts in a Private Fund are specific to each fund, but generally require at least \$250,000 unless modified or waived in accordance with the Private Fund’s offering document and subscription agreement. Minimum investment amounts in a Mutual Fund are specific to each fund, but generally requires at least a \$2,000 minimum investment for retail investors as specified in each Mutual Fund’s prospectus. For SMAs account minimums generally require at least \$10 million. For Wrap-Fee accounts, account minimums are determined by the sponsoring broker-dealer and described in such broker-dealer’s account opening documents.

Investing in the Funds involves risks. There is no assurance that you will meet your investment goals, and you may lose money. Material risks for a Fund we recommend are discussed in the Fund offering documents, which we can provide to you. Please review the risks before investing in any of the Funds.

### **Questions to Ask Us:**

- *[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?**

It is important for you to be aware of the direct and indirect fees, as well as other costs you will incur, arising from our role as a distribution agent for the Funds, and the conflicts of interest they create. With respect to our Mutual Funds, we are paid a distribution fee each year based on the amount of “retail shares” you purchase in a Mutual Fund. With respect to the Private Funds, we are paid by BCM, a portion of the advisory fees earned by BCM. For SMAs, we are paid a percentage of the advisory fees generated by BCM during the first two calendar quarters after account opening. Even though our affiliates, BAMCO and BCM, pay our fees in each of these instances, these may be deemed an indirect payment by you since the amount paid for or earned on your investment will be used by our affiliates to pay our fees. You will also indirectly pay a proportionate share of fees and expenses incurred by a Fund, including professional fees, registration and filing fees and/or director fees. You may incur costs on your own related to your own investigation and review of the documentation for the specific Funds we may offer to you. SMAs may pay separate brokerage, clearing, custodial, administrative and transfer fees that may be charged or assessed by the broker-dealer which holds the SMA. Wrap-Fee Accounts may pay additional fees if a broker-dealer (other than the sponsoring broker-dealer) executes a trade for your account.

**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 about our fees, please see the particular Private Fund's offering documents which we can provide to you and/or the Mutual Fund's Summary Prospectus, available at [Baron Products](#), as the case may be. Refer also to the BCM [ADV BROCHURE](#) under Fees and Compensation and Directed Brokerage.

**Questions to Ask Us:**

- *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 must 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 examples to help you understand what this means:

- The Private Funds, Mutual Funds, SMAs and Wrap-Fee Accounts are proprietary products and/or services managed by our affiliates, which also receive compensation based on your investments. Our investment recommendations to you may therefore be influenced by our desire to generate fees for our affiliates and our own fees, which are derived from the advisory fees earned on your investments by our affiliates.
- We may have a conflict of interest for Mutual Fund investors who are eligible to purchase more than one class of shares, since we are paid distribution fees only on retail shares.
- We market and sell investments to you in a limited number of our own proprietary Private Funds and/or Mutual Funds. There may be other investments and products we do not market or sell that better suit your needs.

**Questions to Ask Us: *How might your conflicts of interest affect me, and how will you address them?***

For additional information about our potential conflicts, refer to the Private Fund offering documents which we can provide to you and/or Mutual Fund Summary Prospectus available at [Baron Products](#), as the case may be.

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

**Description of How Financial Professionals Make Money.** Our financial professionals are associated with our investment adviser affiliates, BCM and BAMCO, in addition to being registered representatives of BCI. Each financial professional (all of whom are paid by BCI) is paid a base salary, plus (i) a commission on the initial sale of those Mutual Funds made by or credited to such professional; (ii) a commission on the initial sale of Private Fund investments effected by or credited to such professional and for the next two years, payments equal to a declining percentage of the original Private Fund investment; (iii) a commission equal to percentage of the advisory fee received by BCM from each SMA made by or credited to such professional for the first two calendar quarters after account opening; and (iv) a negotiated portion of the wrap-fee received by BCM for its management of each Wrap-Fee Account for which the representative is credited. Each financial professional may also receive an annual discretionary bonus that is based on their overall contribution to, and the overall profitability of, BCI, BCM and BAMCO. These relationships create a conflict of interest as our finance professionals have an incentive to recommend products which create compensation streams for us, them and our affiliates and differing compensation streams for themselves. For example, financial professionals may have an incentive to recommend investments in Private Funds rather than Mutual Funds since they will continue to receive compensation for several years in addition to the compensation they receive at the time of initial investment.

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

Yes. For a free and simple search tool to research BCI and our financial professionals, please visit [Investor.gov/CRS](#).

**Questions to Ask Us: *As a financial professional, do you have any disciplinary history? For what type of conduct?***

**Additional Information.** You can find additional and up-to-date information about our brokerage services and to request a copy of this Form CRS by contacting us at (212) 583-2000 or 1(800) 992-2766. You can also find additional information about BCI on FINRA's <https://brokercheck.finra.org/> by clicking on the Firm tab and then searching CRD #10538.

**Questions to Ask Us: *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?"***