



BDT & MSD Partners, LLC
Form CRS – Customer Relationship Summary¹ -
September 10, 2024

BDT & MSD Partners, LLC (“BDT & MSD,” “we,” “us,” or “our”) is registered with the Securities and Exchange Commission (“SEC”) as a broker-dealer and is a member of the Financial Industry Regulatory Authority. Brokerage and investment advisory services and fees differ, and 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, which also provides educational materials about broker-dealers, investment advisers, and investing.

WHAT INVESTMENT SERVICES AND ADVICE CAN YOU PROVIDE ME? We are affiliated with BDT Capital Partners, LLC (“BDT Capital”) and MSD Partners, L.P. (“MSD Partners”), each an investment adviser registered with the SEC. We are a limited-purpose broker-dealer that offers to retail investors the limited brokerage services described below and does not offer investment advisory services. We provide financial advisory services, including underwriting services, to public and private companies and their principals and affiliates (“Advised Companies”), as well as to families and individuals, in each case with respect to potential transactions, including public securities offerings (such services, “Financial Advisory Services”). We also provide private placement services (the “Private Placement Services”) to (i) issuers (“Issuer Companies,” and together with the Advised Companies, the “Companies”) in connection with the private placements of their securities and (ii) private investment funds that are managed by our affiliates, BDT Capital or MSD Partners (the “Affiliated Funds”) or unaffiliated investment advisers (the “Unaffiliated Funds,” and, together with the Affiliated Funds, the “Funds”). In general, our Private Placement Services are provided to the Issuer Companies and the Funds themselves and not to any purchasers of Issuer Company or Fund securities. However, on occasion, we may provide a service to certain sophisticated retail investors in connection with the private placements, which may include, under certain limited circumstances, investment recommendations. We do not open or maintain brokerage accounts, provide ongoing monitoring of investments, or exercise investment discretion. You make the ultimate decision regarding any purchase or sale of an investment and should independently evaluate any investment opportunity offered to you and consider consulting tax, legal, or financial professionals of your choosing. The Funds may have minimum requirements for investment size, which can be found in the applicable offering documents. Additional information is available in our Regulation Best Interest Disclosure Document (which will be provided to you if we make a recommendation to you).

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? For our Financial Advisory Services, we may charge a fixed fee and/or a percentage of the proceeds from a consummated transaction, which may be borne directly or indirectly by retail investors. For our Private Placement Services to Issuer Companies, we receive from Issuer Companies and sponsors of Unaffiliated Funds placement fees in the form of a percentage of transaction value. We also receive placement fees from co-investment vehicles formed to facilitate investments in Issuer Companies alongside Affiliated Funds, or from the underlying Issuer Companies directly. With the exception of such co-investment vehicles, we do not receive any compensation in connection with our role as placement agent for the Affiliated Funds.

If you invest in an Issuer Company for which we serve as placement agent, you will not pay any fees directly to us in connection with such investment, but the Issuer Company will pay fees to us in exchange for our placement services to the Issuer Company. If you invest in an Unaffiliated Fund, you will not pay any fees directly to us, but your investment in that Fund will be subject to various fees and allocations, which will be paid out of the Fund’s assets and will reduce the value of your investment. If you invest in an Affiliated Fund that is a co-investment vehicle, you will not pay placement fees directly to us, but we may be paid placement fees from such vehicle or from the underlying Issuer Company. If you invest in an Affiliated Fund that is not a co-investment vehicle, you will not pay any fees directly to us, but your investment in such Fund will be subject to management fees and carried interest that will be paid to our affiliates. Please consult the applicable offering materials for more information regarding these fees and allocations. If you invest in an Unaffiliated Fund, the manager of that Fund may share a portion of the management fee

¹ 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 you and BDT & MSD Partners, LLC (or your financial professional).



with us. When we receive fees from an Issuer Company that is a portfolio company of an Affiliated Fund, BDT Capital or MSD Partners may in certain circumstances arrange for the Issuer Company to credit the Affiliated Fund with capital usage fees.

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. Additional information on the fees we charge is available in our Regulation Best Interest Disclosure Document. For additional information on the fees charged by BDT Capital and MSD Partners, please refer to Parts 1 and 2, where applicable, of the relevant adviser's Form ADV.

Conversation Starters: 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? We provide recommendations only in limited circumstances. 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.

We earn fees for our Financial Advisory Services. In connection with these services, we may provide advice with respect to the purchase or sale of, investment in, or securities offering by, an Advised Company. Because part of our compensation in connection with such advice will often include compensation that is based on whether a transaction occurred and/or the size of that transaction, we often will have an incentive to recommend that the parties proceed with the purchase, sale, or investment or that they do so at a particular price. We also earn fees from Issuer Companies, the Unaffiliated Funds and co-investment vehicles for our Private Placement Services. Some or all of these fees are calculated based on size of investments. As a result, we may have an incentive to have you make an investment that we offer. We also may have an incentive for you to make an investment in an offering for which we receive greater fees. In general, we receive our fees upon the closing of an investment, and our fees are unrelated to whether you make or lose money. We have an incentive to sell Affiliated Funds and co-investment vehicles to you because the Affiliated Funds and, in certain circumstances, co-investment vehicles, pay fees to our affiliates. In addition, we receive placement fees from co-investment vehicles or from the underlying Issuer Companies in which they invest. Often, we will have only one investment opportunity available to investors. As a result, we typically will not have alternative investment opportunities for you to consider. Not all investment opportunities are appropriate for all investors.

More detailed information about our conflicts of interest is available in our Regulation Best Interest Disclosure Document and Part 2 of BDT Capital's and MSD Partners' Form ADV filings.

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

HOW DO YOUR FINANCIAL PROFESSIONALS MAKE MONEY? Our financial professionals receive a combination of a salary and discretionary bonus award. They do not earn sales commissions. Many factors are considered in determining bonuses such as individual performance, the performance of a particular business unit, and our overall performance.

DO YOU OR YOUR FINANCIAL PROFESSIONALS HAVE LEGAL OR DISCIPLINARY HISTORY? No. Visit Investor.gov/CRS for a free and simple search tool to research us and our financial professionals.

Conversation Starters: As a financial professional, do you have any disciplinary history? For what type of conduct?

ADDITIONAL INFORMATION. If you would like additional information about our services, or an up-to-date copy of this relationship summary, please call (312) 660-7300. Please also see our Regulation Best Interest Disclosure Document.

Conversation Starters: 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?