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Form CRS Customer Relationship Summary

Introduction

Hourglass Capital, LLC (“Hourglass Capital”, “we”, “us”, or “our”) is registered with the Securities Exchange Commission (“SEC”) as a registered investment adviser. Investment advisory services and compensation structures differ from those of a registered broker-dealer, and it is important that you understand the differences. This document gives you a summary of the types of services we provide and how you pay for our services. Free and simple tools are available to further research firms and financial professionals at www.investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisers, and investing.

Relationships and Services

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

How will you choose investments for my account?

What is your relevant experience, including your education, licenses, and work experience?

- We offer investment advisory services to individuals, business entities, retirement accounts, trusts, estates, and charitable organizations (our “retail investors”, or “client”).
- We manage these advisory accounts on a discretionary and non-discretionary basis, with account supervision guided by the client’s investment objectives (example: income, growth, capital appreciation). We also offer consultation services on account(s) and holdings that are held away from Hourglass’ control and discretion.
- For **discretionary client accounts**, we will monitor on a continuous basis the investments in the accounts as part of our service. We have the authority, without prior consultation with the client, to buy, sell, and allocate the investments within your account(s) consistent with your investment objectives. We do not limit our advice by using proprietary products or a limited menu of products or types of investments. However, other firms could advise on a wider range of investment choices.
- For **non-discretionary client accounts**, we will make suggestions; however, the client is responsible for making the decisions regarding the holdings in their account(s).
- On a limited basis, we may provide **consulting services**. We rely upon the information provided for our review, and do not verify or monitor any such information. The client retains discretion over consulting investments and is free to accept or reject any recommendations from Hourglass.

Our Obligations to You

What are the most common conflicts of interest in your advisory accounts?

How will you address those conflicts when managing my account?

What are your legal obligations to me when acting as my investment adviser?

- We must abide by certain laws and regulations in our interactions with you.
- We are held to a fiduciary standard that covers our entire investment advisory relationship with you. For example, we are required to monitor your portfolio, investment strategy, and investments on an ongoing basis.
- Our interests can conflict with your interests. We must eliminate these conflicts or disclose them to you in a clear and concise manner.

Fees and Costs

Work the math for me: How much would I pay per year for an advisory account?

What additional costs should I expect in connection with my account?

Do you receive payments from anyone beside me in connection with my advisory account?

Discretionary and Non-discretionary client accounts:

- **Asset-based fees** (used with the majority of our clients) are charged an annual fee of 1.00%, based on the value of the cash and investments in your advisory account; the fee is billed at each quarter end, after the service has been performed. Hourglass may charge a lesser fee based upon certain criteria. As a result, similar clients could pay different fees. In addition, similar investment services may be available from other investment advisers for similar or lower fees.
- **Performance-based fees** are charged up to 20% of the account's net profits, billed annually after the service has been performed (20% of current year profits that exceeds any cumulative gains).
- The larger your account, the more you will pay in fees for both asset-based and performance-based fee calculations.

Consulting: Consulting clients pay a fixed fee, billed at each quarter end, after the service has been performed.

Other costs: Your investment assets will be held in an account with a qualified custodian. Your account may incur additional charges from other financial institutions such as custodial fees, mutual fund and ETF fees charged to you as a shareholder, wire and electronic transfer fees, brokerage commissions and transactions fees charged by your account custodian or the executing broker. Such charges and fees are in addition to our advisory fee.

You will pay fees and costs whether you make or lose money in your account. 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.

Disciplinary History

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

Yes.

Free and simple tools are available to further research firms and financial professionals at www.investor.gov/CRS.

Additional Information

Who is the primary contact person for my account?

Who can I talk to if I have concerns or am unable to reach my primary contact?

- Your Hourglass portfolio manager is your primary contact - our 3 portfolio managers are Kenneth Moffet, John Moffet and Drew Anton.
- Contact our Chief Compliance Officer, Debra Gardner, at dgardner@hourglasscapital.com or by telephone at (713)936-0445 with any questions or concerns, or to request a current copy of our disclosure document Form ADV.
- Form CRS and brochure Form ADV documents are also available at our website www.hourglasscapital.com.