

## Mutual Securities, Inc. Form CRS - Customer Relationship Summary - June 21, 2024

### ITEM 1 - INTRODUCTION

Mutual Securities, Inc. is registered with the Securities and Exchange Commission (SEC) as a broker-dealer and is a member of the Financial Industry Regulatory Authority (FINRA), the Municipal Securities Rulemaking Board (MSRB) and the Securities Investor Protection Corporation (SIPC).

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 [www.investor.gov/CRS](http://www.investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

### ITEM 2 – RELATIONSHIP & SERVICES

#### **WHAT INVESTMENT SERVICES AND ADVICE CAN YOU PROVIDE ME?**

- We only offer brokerage services. The brokerage services we provide include buying and selling securities for retail investors, institutional investors, registered investment advisers, and other broker-dealers. We may recommend investments to retail investors. Our financial professionals do not engage in solicited general securities transactions but may place unsolicited orders for you.
- When you establish an account with us, we do not require a minimum account size or investment amount.
- We do accept limited trading authority you may grant to a registered investment advisory firm to trade securities in your brokerage account. We do not offer discretionary advisory services.
- We do not monitor your investments. You make the final decision regarding the purchase or sale of investments.
- We do not provide fiduciary-level service as defined by Title 1 of the Employee Retirement Income Security Act, which is specific investment advice on a regular basis for retirement account assets.
- **For additional information**, please visit our website, [www.mutual.group/crs-products-services](http://www.mutual.group/crs-products-services).

#### **Questions to Ask Your Financial Professional:**

- **Given my financial situation, should I choose an investment advisory service? Should I choose a brokerage service? Should I choose both types of services? 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.A – FEES, COSTS, CONFLICTS & STANDARD OF CONDUCT

#### **WHAT FEES WILL I PAY?**

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.

- The transaction-based fee you pay is based on the specific transaction and not on the value of your account. With stocks or exchange-traded funds, the cost to you is usually a separate transaction-based fee. With investments, such as bonds, this fee may be part of the price you pay for the investment (called a mark-up or mark-down).
- With mutual funds, depending on the share class, a fee, typically called a load or a contingent deferred sales charge, reduces the value of your investment. Mutual funds also charge annual management fees which vary depending on the fund.
- With investments such as annuities and life insurance, you may pay administrative fees, premium charges, investment expenses, mortality and cost of insurance charges, or surrender charges for early cancellation of your policy, and fees for riders representing extra features on your annuity or insurance policy. These costs can reduce the value of your investment.
- Your account may be charged additional fees, including but not limited to, annual custodian fees, account maintenance and inactivity fees, and other miscellaneous costs, such as postage or handling fees to deliver trade confirmations and statements. Fees will also be assessed when you transfer your account or terminate a retirement account and interest will be charged on margin debit balances.
- Because of the transaction-based fee and sales charge structure associated with the investments you make through us, there is an incentive for us to encourage you to engage in transactions.
- **For additional information**, please visit our website, [www.mutual.group/crs-fees](http://www.mutual.group/crs-fees) where you can find a detailed brokerage account fee schedule.

#### **Questions to 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?**

### ITEM 3.B – FEES, COSTS, CONFLICTS & STANDARD OF CONDUCT

#### **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.

- Third-party payments - Compensation we receive from third parties when we recommend or sell certain investments.
- Revenue sharing - Investments where the manager or sponsor of those investments or another third party (such as an intermediary) shares revenue it earns on those investments with us.
- Principal trading - We may buy and sell your investment through our own accounts or through other broker-dealers (called “acting as principal”) and we can earn a profit on these trades.
- Clearing firm compensation - Compensation we receive from our clearing agent from account fees assessed to you, or from the money balances you carry in your account.
- Registered investment advisors - we may pay or receive compensation to or from registered investment advisory firms for providing services to you.

In some instances, your financial professional may be an investment adviser representative of a registered investment adviser firm that may or may not be affiliated with us (our affiliate Form CRS: [www.mutual.group/mallic-form](http://www.mutual.group/mallic-form)). Your financial professional may have a conflict when recommending either transaction-based or fee-based services to you.

- **For additional information**, please visit our website, [www.mutual.group/crs-products-services](http://www.mutual.group/crs-products-services).

#### **Questions to Ask Your Financial Professional:**

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

### ITEM 3.C - FEES, COSTS, CONFLICTS & STANDARD OF CONDUCT

#### **HOW DO YOUR FINANCIAL PROFESSIONALS MAKE MONEY?**

Your financial professional may receive as compensation:

- A portion of transaction-based fees, load concessions, contingent deferred sales charges and 12b-1 fees.
- Additional compensation based on reaching certain sales levels.
- A salary, wages and other employment-related compensation.
- Non-cash compensation.

### ITEM 4 – DISCIPLINARY HISTORY

#### **DO YOU OR YOUR FINANCIAL PROFESSIONALS HAVE LEGAL OR DISCIPLINARY HISTORY?**

Yes. Visit [www.investor.gov/CRS](http://www.investor.gov/CRS) for a free and simple search tool to research us and our financial professionals.

#### **Questions to Ask Your Financial Professional:**

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

### ITEM 5 – ADDITIONAL INFORMATION

If you would like additional, up-to-date information about our services, please visit our website [www.mutual.group](http://www.mutual.group). You may also request an additional copy of this disclosure from your financial professional or by contacting our Compliance Department by email at [msi.compliance@mutual.group](mailto:msi.compliance@mutual.group) or by telephone at (805) 764-6740.

#### **Questions to Ask Your Financial Professional:**

- **Who is my primary contact person?**
- **Is he or she a representative of a registered investment adviser, a broker-dealer, or both?**
- **Who can I talk to if I have concerns about how this person is treating me?**