

Client Relationship Summary

7/31/23



Introduction

Brokerage services and accounts are provided by **Neon Money, LLC (“NML”)** which is registered with the Securities and Exchange Commission (SEC) as a broker-dealer and is a member of the Financial Industry Regulatory Authority (FINRA). Investment advisory services and accounts are provided by **Neon Money IA, LLC (“NMIA”)**; a Registered Investment Adviser with the SEC. Brokerage and investment advisory services and fees differ and it’s 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 both brokerage and investment advisory services.

Our **brokerage services** include the buying and selling of securities and investment products which includes stocks and exchange traded funds (“ETFs”). If you open a brokerage account, you will pay us a transaction-based fee, generally referred to as a commission, every time you buy or sell an investment. There is no minimum investment in order to open a brokerage account.

When we provide brokerage services, we may recommend investments, or you may select them, but the ultimate decision regarding an investment strategy or the purchase or sale of an investment will be yours. Although we do not provide ongoing monitoring of your account, we will review your account before every recommendation to ensure we act in your best interest.

Our **investment advisory services** offer the following services to retail clients: “robo-advisory” portfolio management services through an online interface. We typically do not monitor client accounts on an ongoing basis. Our firm offers non-discretionary services, and the retail investor makes the ultimate decision regarding the purchase or sale of investments. We limit the types of investments that are recommended since not every type of investment vehicle is needed to create an appropriate portfolio, but do not limit these investments to proprietary products. Our firm does *not* have a minimum account size.

For additional information regarding brokerage services and limitations to view our Regulation Best Interest (Reg BI) Disclosure Supplement. For additional information regarding our advisory services, [click here](#)¹ to view our ADV Brochures.

¹ <https://adviserinfo.sec.gov/firm/brochure/327699>

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Ask your Financial Professional

- Given my financial situation, should I choose 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 and what do these qualifications mean?

What fees will I pay?

For **brokerage services** when you transact in a brokerage account, you will pay a transaction-based fee. This fee is based on the specific transaction, not the value of your account. With certain investments such as stocks or exchange-traded funds (ETF) this fee is called a commission.

Certain investments, such as mutual funds also impose additional fees that will reduce the value of your investment over time including 12b-1 fees and other trailing compensation. Also, with certain investments you may have to pay fees, such as surrender charges, when you sell the investment. From a cost perspective, you may prefer a transaction-based fee if you do not trade often or if you plan to buy and hold investments for longer periods of time. In a brokerage account, more transactions result in us charging you more fees. Therefore, we could have an incentive to encourage you to engage in more transactions. You may also pay other fees that are not connected with the purchase of a security for things like account maintenance, wire transfers, and more.

For **investment advisory services**, NMIA provides internet-advisory portfolio management services, “Neon+,” that costs \$6 per month, due monthly. Internet-advisory portfolio management services may be canceled by giving 30 days written notice. When annualized and converted to a percentage of assets under management, this fee may be higher than that normally charged in the industry. The client may receive similar services at a different provider for cheaper fees. However, this may entail that the client will be subject to a minimum investment threshold.

Internet-Advisory portfolio management fees are withdrawn directly from a client’s connected external bank account with the client’s written authorization. NMIA collects its fees in arrears. It does not collect fees in advance. Neither NMIA nor its supervised persons accept any compensation for the sale of investment products, including asset-based sales charges or service fees from the sale of mutual funds. NMIA does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

Other Fees and Costs for Brokerage and Advisory Accounts

Some investments (e.g., mutual funds, etc.) impose additional fees (e.g., transactional fees and product-level fees) that reduce the value of your investment over time. The same goes for any additional fees you pay to a custodian. Additionally, you will pay transaction fees, if applicable, when we buy or sell an investment for your account. Clients are responsible for the payment of all third-party fees (i.e., custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by NMIA.

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

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you are paying.

For additional information regarding the costs and fees associated with your brokerage account, to view our Reg BI Disclosure Supplement. To see the costs and fees associated with our advisory services, [click here](#)¹ to view our ADV Brochures.

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?

What are your legal obligations to me when providing recommendations as my broker-dealer or when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?

When we provide you with a recommendation as your broker-dealer or act as your investment adviser, 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 and investment advice we provide you.

Here are some examples to help you understand what this means:

- **Proprietary Products:** We will earn higher fees, compensation, and other benefits when you invest in a product that we (or one of our affiliates) advise, own, manage, or sponsor. As such, we have an incentive to recommend (or to invest your assets in) those types of products.
- **Third-Party Payments & Revenue Sharing:** We share revenue and receive payments from third parties, including affiliates, clearing firms, product sponsors, and managers (or their affiliates) when we recommend or sell certain products and services. As such, we have an incentive to recommend certain products and services that pay us more.
- **Principal Trading:** We may buy or sell securities to you for our own account because we earn compensation (such as commission equivalents, mark-ups, mark-downs, and spreads).

For additional information regarding these and other conflicts of interest dealing with your brokerage account and services to view our Reg BI Disclosure Supplement. To see more information about these and other conflicts of interest dealing with our advisory services, [click here](#)¹ to view our ADV Brochures

Ask your Financial Professional

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

How do your Financial Professionals make their money?

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For **brokerage accounts**, our financial professionals are paid salaries and may also receive discretionary bonuses based on their performance as well as the performance of the Firm.

For **advisory accounts**, NMIA provides internet-advisory portfolio management services for an annual fee of 0.5% charged quarterly.

Do you or your Financial Professionals have legal or disciplinary history?

You can visit [Investor.gov/CRS](https://www.investor.gov/crs) for a free and simple search tool to research more information about our Firm and your financial professional

Ask your Financial Professional

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

Additional Information

To find out additional information about our brokerage or advisory services, you may visit our website at <https://joinneon.com/>. If you need any other up-to-date information or would like a copy of our relationship summary sent to you, contact us at support@neonmoneyclub.com.

Ask your Financial Professional

- 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?