

## Introduction

Coordinated Capital Securities, Inc. is registered with the Securities and Exchange Commission ("SEC") as both a broker-dealer and an investment adviser and is a member of the Financial Industry Regulatory Authority (FINRA) and Securities Investor Protection Corporation (SIPC). Brokerage and investment advisory services and fees differ, and it is important for you to understand their differences. This relationship summary describes the brokerage and advisory services and accounts we offer, how you are charged for those services and conflicts of interest that exist when we provide services to you. Free and simple tools to research firms and financial professionals are also available at <https://www.investor.gov/home/welcome-investor-gov-crs> including 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 to retail investors. We provide access to a range of account types and investments such as stocks, bonds, options, mutual funds, exchange-traded funds, college savings plans, annuities and alternative investments. The range of investment options or services available from any of our financial professionals may be limited based on the licenses they hold. Please ask your financial professional if they are limited in the type of services or investment options they are able to offer. Some key differences in our brokerage and advisory services are explained below.

### BROKERAGE SERVICES

When we provide brokerage services, we primarily take orders and execute securities transactions for you.

We offer full brokerage services where you work with one of our financial professionals who will make recommendations for you to buy, sell or hold investments and execute transactions at your direction, and limited services where you do not work with a financial professional. In either case, you make the ultimate decision to buy, sell or hold investments.

We do not monitor your brokerage account unless we state otherwise in writing.

We do not impose a minimum dollar amount to open a brokerage account with us but certain investment programs or financial professionals of ours may impose minimum account requirements.

#### 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?

### ADVISORY SERVICES

Our advisory services include investment management services including a wrap fee program, mutual fund advisory programs, third-party asset management, financial planning, retirement plan consulting, and other advisory services.

You may choose to provide us with **discretion**, where your financial professional determines which investments to buy, sell or hold, or you can choose to have a **non-discretionary** account, where you determine which investments to buy, sell or hold.

We monitor your advisory account on an on-going basis to align with your stated investment goals unless stated otherwise in your agreements with us (for example, certain financial planning and consulting relationships).

Account minimums vary by the advisory program you choose. Your financial professional may also establish account minimums when providing advisory services.

For additional information on our brokerage services refer to our Best Interest Disclosure guide and for more information about advisory services refer to the our Form ADV, Part 2A brochure (Items 4 and 7 of Part 2A or Items 4.A. and 5 of Part 2A Appendix 1) as applicable to the advisory program or service you are considering. These disclosures are available on our website at <http://ccsmadison.com/#disclosures>

## What fees will I pay?

The fees you pay depend on whether you choose brokerage services, advisory services, or both.

### BROKERAGE SERVICES

- \* You pay a transaction-based fee (or commission) for each trade in your account. The more trades you make, the more transaction-based fees you pay us. This creates an incentive for us to encourage you to trade more often.
- \* Commission amounts vary based on the size of the transaction, type of investment and whether the trade is a buy, sell or exchange.
- \* Certain products pay us on-going compensation for fees you pay to hold the investment commonly referred to as 12B-1 trail commissions such as mutual funds and annuities based on the amount invested and how long the investment is held.
- \* With stocks, exchange-traded funds and options trades, the transaction-based fee is a separate commission. For investments in bonds this fee is part of the price you pay (mark-up or mark-down).

### ADVISORY SERVICES

- \* Our advisory programs charge a quarterly on-going fee based on a percentage of the value of your account (asset-based fee). You pay this fee even if you do not trade in your account. The more assets you have in an asset-based fee account, the more you will pay us in fees. This creates an incentive to encourage you to increase the assets in your account including transferring or rolling over assets from other accounts.
- \* You may also contract with us to provide limited services for which you pay a flat or hourly fee.
- \* In a traditional advisory account, you pay standard clearing account transaction and other fees in addition to your asset-based fee.
- \* In a wrap-fee account, your asset-based fee includes most standard clearing account fees and therefore are higher than a traditional advisory fee.
- \* The fee you pay your financial professional is negotiated with them directly, and subject to different fee schedules and maximums depending on the advisory program selected.

## OTHER COST CONSIDERATIONS FOR BROKERAGE AND ADVISORY SERVICES

Our fees vary and will depend on the type of account, program selected, where the account is held, what investments are bought and sold, and the scope of services provided. Certain investments (such as mutual funds and annuities) impose additional fees including internal management and administrative expenses which are detailed in the investment sponsor's offering documents.

If you expect to trade infrequently or have a buy-and-hold strategy, an advisory account may cost more than paying for financial planning or consulting services and brokerage services separately and you may want to consider a brokerage account.

*You will pay fees and costs whether you make or lose money on your investment. 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.*

### QUESTIONS TO ASK YOUR FINANCIAL PROFESSIONAL:

- Help me understand how these fees and costs might affect my investment?
- If I give you \$10,000 to invest, how much will go to fees and costs and how much will be invested for me?

For additional information on fees and charges associated with brokerage services view our Best Interest Disclosure guide. For fees and charges associated with advisory services refer to our Form ADV, Part 2A brochure (Items 4 and 7 of Part 2A or Items 4.A. and 5 of Part 2A Appendix 1) as applicable to the advisory program or service you are considering. These disclosures are available on our website at <http://ccsmadison.com/#disclosures>

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## What are your legal obligations 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 conflicts with your interests because they can affect the recommendations and investment advice, we provide you. Here are some examples to help you understand what this means.

#### Third-Party Payments and Revenue Sharing

- \* We receive indirect forms of compensation from certain investment product sponsors in the form of on-going trail commissions from investments you hold in mutual funds, annuities and other investments. Trail commissions are charged to you by the product sponsor as part of the cost of owning the investment and then paid to us as a distribution fee that we share with your financial professional. This creates a financial incentive to encourage you to purchase investments that pay this fee or to recommend share classes that pay this on-going fee over other share classes available.
- \* We and your financial professional may receive compensation or reimbursement in connection with educational and training meetings from product sponsors. We have an incentive to recommend investments offered by product sponsors that make these payments over those who do not.
- \* When you open a brokerage or advisory account through our clearing firm, your uninvested cash is automatically placed into interest-bearing federally insured bank accounts offered through a cash-sweep program. We receive a portion of the interest earned on your cash sweep balance which creates an incentive if you maintain a cash balance.
- \* Brokerage accounts and certain advisory accounts are subject to standard clearing account fees including annual account fees, ticket charges, margin interest, custody (including IRA custodial fees) and other fees. In some cases, the charge you pay may be more than our cost.

#### QUESTIONS TO ASK YOUR FINANCIAL PROFESSIONAL:

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

Additional information on our conflicts of interests can be found in our Best Interest Disclosure guide for brokerage services and in our Form ADV, Part 2A brochure (Items 4 and 7 of Part 2A or Items 4.A. and 5 of Part 2A Appendix 1) as applicable to the advisory program or service you are considering. These disclosures are available on our website at <http://ccsmadison.com/#disclosures>

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## How do your financial professionals make money?

Our financial professionals are independent contractors and not employees of our firm. When providing brokerage services, our financial professionals receive a portion of the commissions (including trailing commissions) you pay in connection with transactions executed in your account. Those offering investment advisory services receive a portion of the advisory fee you pay to us.

Our financial professional's compensation can vary based on factors such as the amount of client assets they service, the time and complexity required to meet your needs, and the type of product sold. Financial professionals must recommend investment products and manage your account in your best interest; however, the variety of levels and forms of compensation create an incentive from financial professionals to recommend certain investments, strategies and/or programs over others. Here are some examples to help you understand what this means.

- \* We pay your financial professional a portion of the advisory fees and commissions you pay us as well as a portion of on-going trailing commissions (trails) from brokerage investments that pay them. The amount of production (fees, commissions and trails) your financial professional earns determines the portion they receive (payout). The higher the production the higher payout. This creates an incentive for them to encourage you to increase your investment account size or trade more frequently.
- \* Our financial professionals receive different levels of compensation for selling different types of investments. This could include sales loads, which vary by share class and trail compensation, paid to us by investment product sponsors. Your financial professional will be compensated if you accept certain account recommendations, such as rolling over retirement assets or transferring assets to our firm and will not be compensated if you don't. This creates an incentive for them to make recommendations of investment products that pay higher compensation or investment strategies that compensate them over those that do not.

**Your financial professional must make recommendations that are in your best interest,** however these additional forms of compensation create an incentive for them to recommend specific financial products, account types or make changes to your account. We have systems in place to mitigate the conflicts of interest relating to the way our financial professionals make money, including systems to review whether a recommendation is in your best interest.

For information about our business practices, compensation and conflicts of interest related to our brokerage services view our Best Interest Disclosure guide. For advisory services, this information is available in our Form ADV, Part 2A brochure (Items 4 and 7 of Part 2A or Items 4.A. and 5 of Part 2A Appendix 1) as applicable to the advisory program or service you are considering. These disclosures are available on our website at <http://ccsmadison.com/#disclosures>

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

**Yes.** Visit <https://www.investor.gov/home/welcome-investor-gov-crs> for a free and simple tool to research us and our financial professionals.

### QUESTION TO ASK YOUR FINANCIAL PROFESSIONAL:

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

**For additional information** about our brokerage services, see our Best Interest Disclosure guide available on our website at <http://ccsmadison.com/#disclosures>

- \* If you are unable to access the website or would like paper copies of this disclosure or any documents referenced here, please call 800-783-6666.

### QUESTIONS TO ASK YOUR FINANCIAL PROFESSIONAL:

- Who is my primary contact person?
- Is he or she a representative of an adviser firm or a brokerage firm?
- Who can I contact if I have concerns about how this person is treating me?

**Still Have Questions?** Please speak with your CCS financial professional or visit our website for additional information.

#### RELATIONSHIP SUMMARY



FORM CRS



#### BEST INTEREST



DISCLOSURE GUIDE



#### ADDITIONAL



INFORMATION



#### AVAILABLE AT



<http://ccsmadison.com/#disclosure>

#### CONTACT



Your Financial Professional  
or CCS directly at  
608.221.4545  
[info@ccsmadison.com](mailto:info@ccsmadison.com)