

Form Customer Relationship Summary

Which Type of Account is right for You – Brokerage or Investment Advisory?

Landolt Securities Inc. can provide you with services in a brokerage account, an investment advisory account, or both, and the fees differ in each type of account. To assist you in understanding the differences, this document gives you a summary of the types of services we provide and how you pay. 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. Please ask for more information and see the suggested questions.

Relationships & Services

What investment services and advice can you provide me?

Description of Relationships/Services	
We offer both brokerage services & investment advisory services to retail investors	
Broker-Dealer Services	Investment Adviser Services
<ul style="list-style-type: none"> If you open a brokerage account, you will pay a transaction-based fee, generally referred to as a commission every time you buy or sell an investment. You may select investments, or we may recommend investments for your account, but the ultimate investment decision will be yours. We do not monitor your investments. However, we can offer you additional services including monitoring to assist you in executing your strategy, but you might pay more. We will deliver account statements to you quarterly in paper or electronically. We offer a limited selection of investments. Other firms could offer a wider range of choices, some of which might have lower costs. We must act in your best interest and not place our interests ahead of yours when we recommend an investment or an investment strategy involving securities. When we provide any service to you, we must treat you fairly and comply with specific obligations. Unless we agree otherwise, we are not required to monitor your portfolio or investments on an ongoing basis. Our Interests can conflict with your interest. When we provide recommendations, we must eliminate these conflicts or tell you about them and in some cases reduce them. 	<ul style="list-style-type: none"> If you open an advisory account, you will pay an on-going asset-based fee for our services. With our standard service, we will offer you investment advice on a regular basis. We will discuss your investment goals and design with you a strategy to achieve your investment goals and regularly monitor your account. We will contact you at least quarterly to discuss your portfolio. You can choose an account that allows us to buy and sell investment in your account without asking you in advance (a "discretionary account") or we may give you advice and you decide what investments to buy and sell (a "non-discretionary account"). Our investment advice will cover a limited selection of investments. Other firms could provide advice on a wider range of choices, some of which might have lower costs. 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 tell you about them in a way you can understand, so that you can decide whether or not to agree to them.
<u>Conversation Starter</u>	
<ul style="list-style-type: none"> 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? 	

Fees, Costs, Conflicts, and 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.

- Transaction-based fees > You will pay us a fee every time you buy or sell an investment. This fee, commonly referred to as a commission, is based on the specific transaction and not the value of the account.
- With stocks or exchange-traded funds, this fee is usually a separate commission. With other investments, such as bonds, this fee might be part of the price you pay for the investment (called a “mark-up” or “mark down”). With mutual funds, this fee (typically called a “load”) reduces the value of your investment.
- Some investments, such as mutual funds and variable annuities, impose additional fees that will reduce the value of your investment over time. Also, with certain investments, such as variable annuities, you may have to pay fees such as “surrender charges” to sell the investment.
- Our fees vary and are negotiable. The amount you pay will depend, for example, on how much you buy or sell, what type of investment you buy or sell, and what kind of account you have with us.
- Additional fees you may incur include annual account fees, custodial fees, account maintenance fees, account inactivity fees, duplicate document fees, NSF fees, ACAT fees, overnight check fees, TOD associated fees.
- The more transactions in your account, the more fees we charge you. We therefore have an incentive to encourage you to engage in transactions.
- 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.
- Asset-based fees > You will pay a fee at the beginning of each quarter, based on the value of the investments in your advisory account.
- The amount paid to our firm and your financial professional generally does not vary based on the type of investments we select on your behalf. The asset-based fee reduces the value of your account and will be deducted from your account.
- Some investments, such as mutual funds and variable annuities, impose additional fees that will reduce the value of your investment over time. Also, with certain investments, such as variable annuities, you may have to pay fees such as “surrender charges” to sell the investment.
- Our fees vary and are negotiable. The amount you pay will depend, for example, on the services you receive and the amount of assets in your account.
- You will pay a transaction fee when we buy and sell an investment for you which is paid to a broker-dealer or bank that processes your transaction.
- The more assets you have in the advisory account, including cash, the more you will pay us. We therefore have an incentive to increase the assets in your account in order to increase our fees. You pay our fee quarterly even if you do not buy or sell.
- Paying for a wrap fee program could cost more than separately paying for advice and for transactions if there are infrequent trades in your account.
- An asset-based fee may cost more than a transaction-based fee, but you may prefer an asset-based fee if you want continuing advice or want someone to make investment decisions for you. You may prefer a wrap fee program if you prefer the certainty of a quarterly fee regardless of the number of transactions you have.

Conversation Starter

- 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?
- Do the math for me. How much would I expect to pay per year for an advisory account vs. a typical brokerage account? What would make these fees more or less? What services will I receive for those fees?
- 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 additional costs should I expect in connection with my account?
- How do you and your firm make money in connection with my account? Do you or the firm receive any payments from anyone besides me in connection with my investments?

Conflicts of Interest

We benefit from the services we provide to you. *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 to you. See the examples below.

- A retail investor will be charged more when there are more trades in their account, and the firm may therefore have an incentive to encourage a retail investor to trade often.
- We can make extra money by selling you certain investments, such as private placements, because they are offered by companies that pay our firm to offer their investments. Your financial professional also receives more money if you buy these investments.
- We can buy investments from you, and sell investments to you, from our own accounts (called “acting as principal”). We can earn a profit on these trades, so we have an incentive to encourage you to trade with us.
- We can make extra money by advising you to invest in certain investments, such as private placements, because they are offered by companies that pay our firm to offer their investments.
- The more assets you have in an advisory account, the more you will pay us. Therefore, we have an incentive to increase the assets in your account in order to increase our fees. You pay the quarterly fee even if you do not buy or sell.

Disciplinary History & Additional Information

- We have legal or disciplinary history. Visit investor.gov/CRS for a free and simple search tool to research you and your financial professionals.
- For additional information about our brokerage or investment advisory services, or to obtain a copy of the relationship summary, contact us at 847-838-5151
- For information about our firm visit investor.gov or Broker Check (brokercheck.finra.org), our website (landoltsecurities.com), and your account agreement. For additional information on advisory services, see our Form ADV brochure on IAPD on investor.gov or on our website ([landoltsecurities.com/Form ADV](http://landoltsecurities.com/Form%20ADV)) and any brochure supplement your financial professional provides.
- To report a problem to the SEC, visit investor.gov or call the SEC’s toll-free investor assistance line at (800) 732-0330. To report a problem to FINRA [contact them at 1735 K Street NW, Washington DC 20006; 301-590-6500]. If you have a problem with your investment account or financial professional, contact us in writing at [41412 N. Hwy 83 Antioch IL 60002; 847-838-5151].

Conversation Starter

- As a financial professional, do you have any disciplinary history? For what type of conduct?
- How might your conflicts of interest affect me, and how will you address them?
- What are the most common conflicts of interest in your advisory and brokerage accounts? Please explain how you will address those conflicts when providing services to my account.
- How often will you monitor my account’s performance and offer investment advice?
- Who is my primary contact person? Is this person 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?
- What can you tell me about their legal obligations to me?