

SCF Securities, Inc. (“SCFS”) (FINRA CRD#: 47275/SEC#: 8-51760) is registered with the Securities and Exchange Commission (SEC) as a broker-dealer and is a member of the Financial Industry Regulatory Authority (FINRA) 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 [Investor.gov/CRS](https://www.investor.gov/CRS), which also provides educational materials about broker-dealers, investment adviser, and investing.

QUESTION

ANSWER

What investment services and advice can you provide me?

SCFS offers brokerage and direct application services to retail investors. Depending on account type, SCFS offers the following investment vehicles, corporate equity securities, corporate debt securities, mutual funds, U.S. government securities, municipal securities, variable life insurance or annuities, oil and gas interests, options, tax shelters, limited partnerships and private placements. SCFS does not offer proprietary products and does not maintain a preferred product list. Not all products are suitable for all investors. Please read prospectuses, subscription agreements or other required product disclosures prior to investing. All investments contain risk including the entire loss of principal. SCFS Registered Representatives may make investment recommendations on a solicited basis, or you may ask your Representative to purchase an investment for you on an unsolicited basis. SCFS Registered Representatives may not act with discretion in your account and must discuss any investment decisions with you in advance. As such, you, the retail investor, makes the ultimate decision regarding the purchase or sale of investments. SCFS does not impose account minimum requirements. However, product sponsors may impose account minimums at their discretion and other limitations mandated by securities regulators. SCFS Registered Representatives may agree, but are not required to, monitor your account on a periodic basis for the purposes of making buy, sell or hold recommendations.

More information about our brokerage services can be found in our [Brokerage Services Disclosure Summary](#).

For additional information, please visit <https://www.investor.gov/CRS> and <https://www.sec.gov/regulation-best-interest>

Conversation Starters: Ask your financial professional—

1. **Given my financial situation, should I choose a brokerage service?**
 - a. **Why or why not?**
2. **How will you choose investments to recommend to me?**
3. **What is your relevant experience, including your licenses, education and other qualifications?**
 - a. **What do these qualifications mean?**

What fees will I pay?

As mentioned in the previous section, SCFS offers many different types of investments, which have varying fee structures and costs. For brokerage services, we charge a transaction-based fee (sometimes referred to as a commission and ticket charges) every time you buy or sell an investment. The amount you pay as transaction-based fees varies according to the particular investment and amount invested. The more trades you make, the more transaction-based fees we earn. This creates an incentive for us to encourage you to trade often. The most common fees include, but are not limited to, 12b-1 fees and front and back end mutual fund sales loads, mortality & expense, rider fees and commissions on variable products, ticket charges and commissions on equity trades, annual brokerage account fees, selling commissions, manager fees, marketing allowance fees on non-traditional products such as limited partnerships and other alternative investments. 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. Please ask your Financial Professional for specific information on fees and expenses related to the investment recommendation. In addition, always review the related prospectus, private placement memorandum or subscription agreements for more information on fees and expenses. In addition, fees and commissions that are passed through as compensation to your Financial Professional, such as, but not limited to, 12b-1 fees, commissions and ticket charges, create a conflict of interest as they may incentivize your Financial Professional to recommend an investment on which he/she earns a higher payout than less expensive investment alternatives or to encourage you to trade in your brokerage account more often. For More information, please see our [Brokerage Services Disclosure Summary](#).

Conversation Starter. Ask your financial professional—

1. **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? How else does your firm make money and what conflicts of interest do you have?

When we provide you with a recommendation, we must act in your best interest and not put our interest ahead of yours. At the same time, the way SCFS and its Financial Professionals make money create some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the recommendations, we provide you. So, please take the time to talk with your Financial Professional and ask about these conflicts. Here are some examples of how we are compensated to help you understand what this means. SCFS and its Financial Professionals earn commissions when you purchase a product from us or when we make trades in your brokerage account. These commissions create a conflict in that your Financial Professional may be incentivized to offer a product that pays more commissions than a similar product that meets your investment needs. In addition, your Financial Professional may be incentivized to make unnecessary buy or sell trades in your brokerage account in order to generate commissions. SCFS is also compensated via money market 12b-1 and no transaction fee revenue sharing agreements with our clearing firm, which may incentive your Financial Professional to place you in a more expensive money market fund when a less expensive class is available.

Conversation Starter. Ask your financial professional—

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

For additional information, please see additional disclosures located here:

https://www.scfsecurities.com/wp-content/uploads/SCFS_Form_COI_CRS.pdf

How do your financial professionals make money?

SCFS Financial Professionals make money by earning commissions from sales of investment or annuity products recommended to customers or by placing trades in a customer's brokerage account. Commissions vary by product. Financial Professionals will earn additional compensation in the form of 12b-1 fees paid by mutual fund companies and/or trail commissions earned on Variable Annuity products. Some investment companies offer Financial Professionals non-cash compensation which is used to offset expenses or other business-related costs. All these forms of compensation create conflicts of interest in that they create an incentive your Financial Professional to recommend a product that pays more commission than others or to recommend products from an investment company that provides non-cash compensation to the Financial Professional. We also compensate financial professionals based on production, including payments based on the amount of client assets they service and the products they sell. In addition, our financial professionals receive different amounts of compensation for selling different types of investments or services. This could include, for example, a share of the 12b-1 fees, trail payments, or sales loads paid to us by certain investment products. Although your financial professional must recommend investment products or manage your account in your best interest, these additional forms of compensation create an incentive for them to recommend specific financial products that pay them more. **For More information**, please see our [Third Party Fee Disclosure](#).

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

Yes. Visit investor.gov/CRS for a free and simple search tool to research our firm and our financial professionals.

Conversation Starter. Ask your financial professional—

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

Additional Information

For additional information about our brokerage services, view our Investment Product and Services Overview. If viewing a paper version of this form, please visit scfsecurities.com/disclosures for hyperlinks to documents referenced herein. If you would like additional, up-to-date information, a current copy of this client relationship summary, or if you have a problem with your financial professional, please call us at (800) 955-2517 and ask for the Compliance Department or send an email to Compliance@scfinc.com.

Conversation Starter. Ask your financial professional—

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