

SCF Securities, Inc. (referred to as “we”, “us,” or “SCFS”) is registered with the U.S. Securities and Exchange Commission (“SEC”) as a broker-dealer. Additionally, we are a member of the Financial Industry Regulatory Authority (“FINRA”) and the Securities Investor Protection Corporation (“SIPC”). We have a network of financial professionals who offer brokerage services through us and investment advisory services through our affiliate, SCF Investment Advisors, Inc. (“SCFIA”). These services and fees differ, and it is important for you to understand these

differences. This relationship summary explains the various services we offer, how we charge for those services, and conflicts of interest that exist when we provide our services. To help you research firms and financial professionals, free and simple tools are available at [Investor.gov/CRS](https://investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing. You should carefully consider which types of accounts and services are right for you.

What investment services and advice can you provide me?

Our financial professionals offer brokerage services to retail investors. If you plan to follow a buy-and-hold strategy without ongoing advice from a financial professional and you prefer to pay for each transaction, a brokerage account may be the right choice for you. We offer full-service brokerage accounts where each financial professional generally provides access to a wide variety of investment such as stocks, bonds, exchange traded funds (ETFs), mutual funds, options, unit investment trusts, annuities, and alternative investments. We do not offer proprietary products. 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. Your financial professional may make investment recommendations on a solicited basis, or you may ask your financial professional to purchase an investment for you on an unsolicited basis. Please note that the range of investment options available to you may be limited depending on the licenses your financial professional holds. Your account program may also have specific requirements, such account or investment minimums. Ask your financial professional if any investment limitations or account requirements apply. In most cases, we provide recommendations to

you to buy, sell, or hold specific investments, but you must provide approval for each trade. You, not your financial professional, make the final investment decisions for your account. Although we do not provide ongoing monitoring of brokerage accounts, account reviews may be conducted periodically to determine whether to provide a recommendation.

More detailed information about our brokerage services is provided in our **Brokerage Services Disclosure Summary**. Applicable disclosures are available to you at scfsecurities.com/disclosures/.

Conversation Starters. Questions to ask your financial professional:

- Given my financial situation, should I choose a 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? What do these qualifications mean?

What fees will I pay?

For brokerage services, we charge a transaction-based fee (sometimes referred to as a commission) every time you buy or sell an investment. The amount you pay as a transaction-based fee 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. For investments in stocks or ETFs, the transaction-based fee is usually charged as a separate commission that is added to the principal amount of the transaction. For investments in bonds, this fee is typically included as part of the price you pay or receive for the investment (called a markup or markdown). For investments in certain products like mutual funds, annuities, and alternative investments, we receive transaction-based fees from the product sponsors in the form of sales charges (e.g., sales loads). These fees are based on the amount invested in a product and, depending on the product, may be based on how long you hold the investment. Our receipt of such sales charges creates an incentive to recommend products or sponsors that pay such charges. If applicable to your account, you will be charged for other fees in addition to brokerage commissions, including the following: (1) outgoing transfers, IRA maintenance and termination fees, ticket charges, and direct registration of securities; (2) cash management fees such as checking, wire transfer charges, margin fees, and stop payments; (3) investment specific fees such as those for administration of alternative investments or for foreign securities; and (4) asset-based fees on mutual funds, ETFs, and other pooled funds. For more information, please see our **Brokerage Account Fee Schedule**. Disclosures are available to you at scfsecurities.com/disclosures/. You should understand that these fees are not charged by us but by our brokerage account custodians or product sponsors, depending on where your account is custodied. We mark-up and receive a portion of many of the fees charged by our brokerage custodian which results in increased costs to you. This results in a conflict of interest because we are incentivized to recommend custodians that share fees with us, or that permit us to

markup their fees. You may also incur fees charged by the particular investment product in which you are invested, including mutual funds, ETFs, and other pooled funds, in addition to brokerage commissions charged by us. Some of these fees may be shared, as described below. Certain investment products have significant fees triggered by particular events, e.g., fees for excessive transfers or early withdrawals. Depending on the investment product in which you invest, fees and costs are described in the product’s prospectus or other offering document. 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.

Detailed information on our brokerage fees can be found in our **Brokerage Services Disclosure Summary**. Disclosures are available to you at scfsecurities.com/disclosures/.

Conversation Starters. 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?

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. If you have any questions about whether any of these situations could apply to your investments, ask your financial professional. All financial services companies have conflicts of interest. Specifically, there are conflicts of interest associated with the compensation that we and our financial professionals receive. Accordingly, we have adopted conflict mitigation practices that are tailored to the nature and scope of our conflicts of interest. Commissions or other compensation related to one financial service provider, product, investment, or service may be higher than commissions or other compensation related to a comparable provider, product, investment, or service. Those higher rates of compensation provide incentives to us (and our financial professionals) to recommend certain providers, products, investments, or services over those with lower rates of compensation. We receive compensation from third parties related to investments you make in certain products, including mutual funds, ETFs, annuities, alternative investments, and other investments. This compensation includes ongoing distribution charges (e.g., 12b-1 fees or trail payments), which an investment product charges you and then pays to us. We also receive various benefits from our relationship with our clearing and custodial firm, National Financial Services ("NFS"). Some examples include revenues from uninvested cash balances you authorize us to move into a money market fund and/or FDIC insured bank deposit product, a growth assistance credit to help us grow our business on the NFS Platform, and a portion of certain brokerage account

transaction, service, and custodial fees that exceed the amount we are charged for these transactions and services. This creates an incentive for SCFS if you open a brokerage account and maintain a cash balance with us. We also receive revenue sharing payments from sponsors who participate in our marketing program called the Partners Program. This program supports our marketing, training, and educational initiatives and helps pay for annual awards for financial professionals who produce the most revenue overall and for our general marketing expenses. Because we receive payments from these third parties, we have an incentive to recommend or invest your assets in those investment products. Detailed information regarding third-party payments can be found in our **Third-Party Compensation Disclosure** at scfsecurities.com/disclosures/. In brokerage accounts, we sometimes directly buy from you or sell to you investments including bonds or certain shares of mutual funds, unit investment trusts (UITs), or alternative investments. These are called principal trades. If the principal trade involves a bond, we receive a markup or markdown by either buying the bond from you at a lower price than we will sell it for or by selling the bond to you at a higher price than we bought it for. That creates an incentive for us to either buy the bond from you at the lowest price possible or sell the bond to you at the highest price possible and maximize our profit on the principal trade. We do not maintain a bond inventory. Detailed information on our conflicts of interest can be found in our **Brokerage Services Disclosure Summary** found at scfsecurities.com/disclosures/.

Conversation Starters. Questions to ask your financial professional:

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

How do your financial professionals make money?

Our financial professionals are independent contractors. The agreement between each financial professional and SCFS sets out the payments we make to them. Our financial professionals generally receive a portion of the commission or markups/markdowns from your trades. Receiving a portion of the brokerage fees you pay to us creates an incentive for a financial professional to encourage you to increase your investment account size, trade more frequently, or recommend products that pay higher commissions. We also compensate financial professionals based on production, including payments based on 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 an investment product. Although your financial professional must recommend investment products in your best interest, these additional forms of compensation create an incentive for them to recommend specific financial products. Our financial professionals receive compensation in the below ways. (1) Transition assistance if your financial professional moved to us from another company. This assistance can include repayable or forgivable loans and/or waiving, subsidizing, or reducing other costs associated with transitioning the financial

professional's business. This assistance creates an incentive to migrate and maintain business with us, and to sell or recommend the sale of investments held in an account if we do not offer those investments. (2) Waived or reduced costs for marketing, technology, practice management programs, or subscriptions. (3) An annual awards program based on total sales with the firm overall, accumulating assets, or for non-registered insurance sales. (4) Non-cash benefits from product sponsors and third-party money managers including items such as gifts valued at less than \$100 annually, an occasional dinner or ticket to a sporting event, support in connection with educational meetings, seminars or client appreciation events, and reimbursement for marketing or advertising initiatives, including services for identifying prospective clients.

Your financial professional is legally required to act in your best interest and not put his or her interests ahead of your own. We have systems in place to mitigate the conflicts of interest that arise from the way our financial professionals are paid, including systems to review whether a recommendation is in your best interest. More information on our financial professionals' compensation can be found in our **Brokerage Services Disclosure Summary** found at scfsecurities.com/disclosures/.

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.

Additional Information

Please visit the Disclosures page on scfsecurities.com for more information including a copy of the **Brokerage Services Disclosure Summary** and other disclosures referenced herein. If viewing a paper version of this form, please visit scfsecurities.com/disclosures/ for hyperlinks to cross-referenced documents. 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.

Conversation Starters. Questions to ask your financial professional:

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

Conversation Starters. Questions to 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 any concerns about how this person is treating me?