



## Effective 6–30–2020

M Holdings Securities, Inc. (“M Securities”) is a dually registered broker-dealer and investment adviser with the United States Securities and Exchange Commission (“SEC”). Brokerage and investment advisory services and fees differ; it is important for you to understand the differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](http://Investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

### **Conversation Starters:**

- ***Below each section are suggested questions for you to ask your financial professional about relationships and services. These questions are conversation starters, and are in italics, marked with a bullet.***

## What Investment Services and Advice Can You Provide Me?

We are an introducing broker-dealer, which means we do not hold customer assets. We specialize in providing recommendations and services in connection with variable life and variable annuity insurance products, which includes proprietary product offerings. We also provide recommendations for buying and selling securities, mutual funds, exchange traded funds, real estate investment trusts, alternative investments, and business development companies. We limit our recommendation of products to those we have reviewed and approved to be offered to you. We will base any recommendation to you on financial information you provide us. Our brokerage services are only offered on a non-discretionary basis, which makes you the ultimate decision-maker regarding the purchase of investments within your accounts.

At your request, or in certain other instances, we will review your account or policy. It is customary for us to review variable life insurance policies annually, but we do not otherwise monitor your account. We do not set any minimum account size requirements. However, different products will have different minimum investment requirements, and your minimum will depend on the product or investment you choose.

We also offer investment advisory services. For a description of those services, see our M Securities Investment Advisory Form CRS, or visit [mfin.com/m-securities](http://mfin.com/m-securities).

### **Conversation starter questions for 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?*

## What Fees Will I Pay?

You will pay commissions based on a transaction and sometimes fees that are based on the total value of your account. The fee or commission you pay will depend on the product recommended. Products like variable life and variable annuities often have ongoing commission and payment structures with declining surrender fees for a specified period. Other products, like mutual funds, have front-end sales charges taken from your investment, or contingent deferred sales charges within a specified number of years. These products may also impose additional fees that will reduce the value of your investment over time. Stocks and exchange-traded funds usually have a commission when you buy or sell. Bonds have a mark-up on the price when you buy and sell. You may also pay fees to others in order to maintain certain accounts that include administrative fees, custodian fees, retirement account fees, management fees, and transactional fees. We are paid when you buy or hold a product in your account, however, we will only recommend products that are in your best interest and based on the financial information you provide us. Product and service documentation, including prospectus, will have details of fees and charges, and we will provide these document to you for your review and understanding.

**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.** You can access additional information about the fees and costs of our brokerage services by visiting our website at [mfin.com/m-securities](http://mfin.com/m-securities).

*Conversation starter question for 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, transaction-based compensation gives rise to some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the recommendation we provide you. Here are some examples to help you understand what this means.

We are compensated when you invest with our financial professionals. Also, certain products and services vary in the amount of revenue we receive. We are affiliated with various other entities, including M Financial Asset Management (“M Wealth”) and M Financial Securities Marketing Inc. (“MFSM”). When you use their services, we, or one of our affiliates, receives revenue. Further, certain unaffiliated insurance companies issue variable annuity and life insurance policies that we market as proprietary products. Under these policies, you may be able to invest in funds that are issued and managed by our affiliates. MFSM receives override payments of these policies and our affiliates earn revenues from the investments. As a result, there is an incentive to encourage you to invest in these policies. For additional information on our affiliated entities, please visit [mfin.com/disclosure](http://mfin.com/disclosure) to learn more. We have revenue sharing arrangements with certain broker-dealers and investment advisers. Certain custodians pay us overrides or other revenue. These arrangements create incentives for us. For more information regarding specific conflicts of interest, please visit [mfin.com/m-securities](http://mfin.com/m-securities).

*Conversation starter question for 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 receive commissions, incentive compensation, non-cash compensation, and payment from products. They could also earn money by referring business to affiliated and unaffiliated investment managers. The amount of commission and payments vary by product, so our financial professionals have different compensation. Most financial professionals receive compensation for non-brokerage activities, such as insurance sales and investment advisory services and they may receive salaries or hourly wages as well. Certain financial professionals are also shareholders of our parent company, and they will receive dividends and profit distributions as such. Depending on their production levels, financial professionals may also be eligible to attend a structured educational, professional, and vacation program. The compensation structure for our financial professionals creates a conflict of interest by providing financial incentives to sell securities and products that pay higher commissions or offer continuous commissions. However, only services and products that are in your best interest and based on the financial information you provide us will be recommended to you.

## **Do You or Your Financial Professionals Have Legal or Disciplinary History?**

Yes. M Securities has some disciplinary history. Visit [Investor.gov/CRS](http://Investor.gov/CRS) and [Brokercheck.finra.org](http://Brokercheck.finra.org) for free and simple search tools to research us and our financial professionals.

*Conversation starter questions for your financial professional:*

- *As a financial professional, do you have any disciplinary history? For what type of conduct?*
- *Who is my primary contact person? Are they 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?*

**You can find additional information about us by visiting [www.mfin.com/m-securities](http://www.mfin.com/m-securities). You can request an additional copy of this relationship summary or, our advisory services relationship summary, and any up-to-date information by calling us at (888) 520-6784 or by email at [MHScompliance@mfin.com](mailto:MHScompliance@mfin.com).**