

Introduction

Morgan Wilshire Securities 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) or [BrokerCheck.Finra.org](https://www.brokercheck.finra.org), which also provides educational materials about broker-dealers, investment adviser, and investing.

What investment services and advice can you provide me?

We offer brokerage services to retail investors, including buying and selling securities but our offerings also include a wide range of investment products and account types.

- We offer investment products and account recommendations if you would like advice.
- We will give you advice that is a one-on-one recommendation and specific to you and your situation at the time. As such, a recommendation only applies at the point in time when we provide it to you.
- The decision to invest is always yours as we generally do not offer discretionary accounts. We do not monitor your brokerage accounts after you choose to buy or sell an investment.
- We do not offer proprietary products, but we may be limited to offering you products for investment.
- We do not have an account opening minimums or investment minimums.

Conversation Starters:

Given my financial situation why should I choose a brokerage account?

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?

If you place a trade, you will pay a commission or transaction fee in some cases. There can also be expenses built into the trade price or the investment itself. (Please refer to the www.morganwilshire.com website for fee and commission information)

- The fee you pay is based on the specific transaction and not the value of your account.
- With stocks, exchange-traded funds or bonds, you may pay a dollar-based commission, or 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.
- We charge you additional fees, such as custodian fees, account maintenance fees, account inactivity fees, annual fees. (Please find an updated versions of all non-transactional fees on the firm’s website: www.morganwilshire.com)
- The more transactions in your account, the more fees we charge you. We therefore have an incentive to encourage you to engage in transactions.

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.

Conversation Starters:

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:

- Commission or trail commissions paid to us by insurance companies when you purchase an annuity or other insurance product.
- Commission or trail commissions paid to us by mutual fund companies when you purchase or hold a mutual fund.
- Dealer concessions or transaction fees when trading as principal in your accounts.
- Shareholder service fees paid to us by third party fund providers.
- We receive a portion of the interest revenue earned by our clearing firm, RBC Custody & Clearing, on the debit balances in margin accounts and other credit line products. We also receive a portion of the revenue RBC earns from client credit balances.
- 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.
- The firm strongly recommends that you look at all monthly and quarterly statements as well as all trade confirmations. If there is any part of these documents you don’t understand please contact us immediately at (516) 622-3100.

Conversation Starters:

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

How do your financial professionals make money?

Our representatives receive cash payments (commissions) based on the number and size of transactions they complete for you. They earn money when making recommendations to you. Our representatives are not compensated based on the amount of client assets they service but when making recommendations, if the time and complexity required to meet the needs of the client is higher, the client may pay higher transactions costs to implement recommendations. Our representatives are not compensated more for any certain type of product but rather earn commissions and other transaction-based compensation based on the type of product they are selling or recommending. Our representatives are not compensated based on how much money the firm earns.

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

Yes. For free and simple tools to research our firm and representatives, visit www.investor.gov/CRS or BrokerCheck.Finra.org.

Conversation Starters:

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

Where can I find additional information?

For additional information about our brokerage services, go to www.MorganWilshire.com. To request a copy of this relationship summary, call us at (516) 622-3100.

Conversation Starters:

Who is my primary contact person on my account?
Is he or she a representative of an investment adviser or a broker-dealer?
I have concerns about how this person is treating me, who can I talk to?