

Morgan Wilshire Securities, Inc. (MWSI) Commission Disclosure

Overview: Morgan Wilshire Securities, Inc. (MWSI) is a full-service broker/dealer. The firm and its Registered Representatives receive compensation through commissions on executed transactions. Commission structures may vary depending on the type of security, the complexity of the transaction, liquidity, time involved, and other factors.

MWSI is affiliated with First American Asset Advisory, LLC, a registered investment adviser. This relationship may create a potential conflict of interest when recommending advisory versus brokerage services. We encourage clients to compare services, costs, and fiduciary duties before opening an account.

Commission Structures: Commission rates for publicly traded securities are negotiable and generally fall within the following guidelines:

Transaction Type	Typical Commission	Notes
Markup/Markdown	1.5% – 2.75%	Applied to the share price. Higher rates (up to 5%) may be charged for unique, complex transactions, subject to supervisory approval.
Flat Commission	Varies	Set dollar amount per transaction.
Minimum Commission	\$49	Applies to all securities transactions*.

Examples:

- *Markup:* Buy 500 shares of Stock A @ \$100 with a \$1 markup → \$101 per share = \$50,500 + \$49 = \$50,549 net. The commission is 500 x \$1 = \$500 + \$49 = \$549.
- *Markdown:* Sell 500 shares of Stock A @ \$100 with a \$1 markdown → \$99 per share = \$49,500 – \$49 = \$49,451 net. The commission is 500 x \$1 = \$500 + \$49 = \$549.
- *Flat Commission:* Buy shares of Stock A @ \$100 = \$50,000 + flat \$500 + \$49 = \$50,549 net. The commission is \$500 + \$49 = \$549. On sells the commission is deducted from the proceeds.

Commissions may be charged as a per-share markup/markdown, as a flat rate, or both. Your broker will always disclose the total commission structure before the transaction is finalized.

Additional Disclosures

- **Representative Compensation:** Your Registered Representative is compensated as a percentage of the commissions charged.
- **Other Securities:**
 - *Mutual Fund transactions* follow sales charges disclosed in each fund's prospectus.
 - *Options contracts* are not covered here—please consult your Registered Representative.
 - *Low-priced securities* may involve higher fees. Contact your manager for full disclosure.

Important Notes

- This document is for informational purposes only and is not a recommendation to buy or sell securities.
- Past performance is not indicative of future results.
- For a complete list of firm fees and services, visit www.morganwilshire.com.

* Morgan Wilshire charges a \$49 Firm Commission on all transactions in addition to any other applicable fees, charges, taxes, commissions, markups/markdowns charged to your account. A portion of this commission is remitted to Morgan Wilshire's clearing firm, and the remainder is retained by Morgan Wilshire as transaction-based remuneration and may be a profit to the firm. This \$49 Firm Commission is not shared with your registered representative."

Please review MWSI's [Customer Relationship Summary \(Form CRS\)](#) for additional information and potential conflicts of interest.