Introduction

SECU Brokerage Services (SBS) 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). Our parent company, Credit Union Investment Services (CUIS) is an investment adviser registered with the state of North Carolina.

We provide brokerage accounts and services, rather than advisory services.

It is important that you understand the differences in fees and services between a broker-dealer and an investment adviser. SBS also provides brokerage services to our parent company, Credit Union Investment Services (CUIS). Some retail investors with SBS accounts may also hold accounts with CUIS. Please note that the CUIS account terms and fees differ from SBS. For more information about CUIS, please request a copy of its ADV Part 2A.

Free and simple tools are available to research firms and financial professionals at Investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisers and investing.

What investment services and advice can you provide me?

- We offer brokerage services to both retail investors and our parent company CUIS.
- We only sell securities (mutual funds, stocks and bonds) in brokerage accounts for you.
- We buy and sell securities for CUIS advisory accounts as directed.
- We do not monitor accounts.
- We do not make recommendations on whether to buy or sell securities.
- There is no initial minimum balance requirement to open an account with us.

Conversation Starters: Ask us more about the services we provide.

- “Given my financial situation, should I choose a brokerage service? Why or why not?”
- "What is your relevant experience, including your licenses, education, and other qualifications? What do those qualifications mean?"

What fees will I pay?

- If you open a brokerage account with us, you will pay a transaction-based fee.
- Some investments (such as mutual funds) impose additional fees that will reduce the value of your investment over time.
- You may also pay fees to our custodian (currently, Pershing LLC) that will hold your assets.
- 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. For additional information, please see our commission schedule; it can be found here or we can provide a paper copy.
**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?

- We do not provide recommendations.
- 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 services we provide you. Here are some examples to help you understand what this means.
  - The more trades you place with us and the higher the value of securities, the more money we make. Therefore, we have an incentive to encourage you to trade often and trade in large amounts.

**Conversation Starters:**

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

How do your financial professionals make money?

- Our registered representatives are salaried employees who do not receive additional compensation for opening accounts or providing services to clients.

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

- Yes. Our firm has disciplinary history and some of our professionals have legal history.
- Please visit Investor.gov/CRS for a free and simple search tool to research our firm and our financial professionals.

**Conversation Starters:**

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

Additional Information:

- You can find additional information about our brokerage services at https://www.ncsecu.org/Investments/InvestmentAccount.html
- You can request up-to-date information, along with a copy of our firm’s relationship summary by calling our central office at 1-800-451-5467.

**Conversation Starters:**

➢ “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 concerns about how this person is treating me?”

SECU Brokerage Services (SBS), a broker-dealer registered with the Securities and Exchange Commission

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