

**Searle & Co.**  
**Form CRS: Customer Relationship Summary**  
**October 29, 2021**

## **Introduction**

Searle & Co. is registered with the Securities and Exchange Commission (SEC) as a broker-dealer and a registered investment adviser. We are also a municipal dealer, registered with the Municipal Securities Rulemaking Board (MSRB), and a member of FINRA and 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 <https://www.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 both brokerage and investment advisory services, and make recommendations, to retail investors. Some of our financial professionals offer only offer brokerage services as a Registered Representative (RR); others only offer investment advisory services as Investment Adviser Representative (IAR); and others offer both brokerage and investment advisory services. All recommendations regarding your brokerage account will be made in a broker-dealer capacity, and all recommendations regarding your advisory account will be made in an advisory capacity. When we make a recommendation to you, we will expressly tell you orally which account we are discussing.

Here is a summary of how we serve you as a **broker-dealer**:

- We recommend buying or selling securities after considering your investment profile, and we execute the transactions you decide to make based on our recommendations. We also recommend different account types, such as a retirement account.
- We execute transactions for you that you request, that are not based on our recommendations.
- We offer various types of securities and investments, including: equity securities, corporate debt securities (other than commercial paper), certificates of deposit, municipal securities, mutual fund shares, U.S. government securities, options contracts on securities, money market funds, REITs and ETFs. We also offer unregistered securities in private placement offerings.
- Unless we separately agree in writing, we do not monitor your account or your investments.
- We do not offer products that are proprietary to our firm; and we do not offer access to IPO's.
- We do not impose a minimum account size or a minimum investment amount, but we do charge a minimum commission on each of your trades, and our clearing firm may charge annual fees if your account is inactive. See the information below about our fees.

Here is a summary of how we serve you as an **investment adviser**:

- We offer **Portfolio Management Services**. For details about these services, refer to our Form ADV Part 2A disclosure found at this link: <https://adviserinfo.sec.gov/firm/brochure/13035>, and review Items 4, 7, 13 and 16.
- **Account Monitoring**: If you open an investment account with our firm, as part of our standard service we will monitor your investments on a weekly basis.
- **Investment Authority**: We manage investment accounts on a **discretionary** basis whereby **we will decide** which investments to buy or sell for your account.
- **Investment Offerings**: We offer advice on the following types of investments or products: equity securities, corporate debt securities (other than commercial paper), certificates of deposit, municipal securities, mutual fund shares, United States government securities, options contracts on securities, money market funds, REITs and ETFs.
- **Account Minimums and Requirements**: In general, we do not require a minimum dollar amount to open and maintain an advisory account; however, we have the right to terminate your account if it falls below a minimum size which, in our sole opinion, is too small to manage effectively.

Before and after you become a customer, we will disclose other material information about our services, fees, conflicts, investment philosophy, and our relationship; those disclosures will be made orally or in various documents, such as our Advisory Agreement, New Account Form and/or documents that describe the specific characteristics and risks of different products (like prospectuses). Some information will be provided by our clearing firm. **For additional information** please call us at 203-869-4800.

### ***Questions to Ask 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?**

The fees you pay depend on whether you choose brokerage services, advisory services, or both.

For **brokerage services**, the principal, and most common, fees that you will pay are transaction-based commissions, sales charges and markups/markdowns:

- Depending on the investment product you select, fees can include upfront commissions, as well as fees that are charged on an on-going basis for as long as you hold the investment (“trails”).
- Buy and sell transactions are charged an upfront commission each time you buy or sell a security; commissions equal a percentage of the transaction amount and vary depending on the type of security. Our firm charges a minimum commission per transaction.
- Mutual funds assess a sales charge for each buy transaction, and the mutual fund company pays us a portion of that sales charge; some of these charges are trails. Also, we may charge a flat fee when you sell your mutual fund.
- If we buy a security from you or sell a security to you for our own account (as “dealer” or “principal”), we may mark the price up or down, resulting in a profit to us.

Each investment or other transaction recommended to you will have fees and costs associated with it. These fees and costs may be assessed at the time of making your investment or they may be paid during the life of your investment. The timing and amounts of any fees and costs that you will bear will be explicitly disclosed in the investment’s offering and/or purchase documents, such as prospectuses and confirmations.

The fact that each investment has different costs and fees associated with it creates a conflict of interest for us. We have an incentive to recommend investments to you that generate higher costs and fees, such as higher compensating share and asset classes; we are also incentivized to encourage you to invest more frequently and in greater amounts.

If you have a brokerage account with us that is inactive, our clearing firm may charge a flat annual fee, and we may share in that fee. There are additional amounts that may be charged to you, including interest on debit balances, sweep account fees, fees for holding foreign securities, and clearing firm administration fees, such as for transaction processing, account transfers, and retirement account maintenance. We will disclose to you all fees and expenses relating to your broker-dealer account and your securities purchases—see below about additional information.

For **investment advisory services**, the following summarizes the principal fees and costs associated with engaging our firm as investment adviser. For detailed information, refer to our Form ADV Part 2A disclosure at this link: <https://adviserinfo.sec.gov/firm/brochure/13035>, and review Items 5, 6 and 15.

- **Asset-Based Fees** - Payable quarterly in arrears. Since the fees we receive are asset-based (i.e. based on

the value of your account), we have an incentive to increase your account value which creates a conflict especially for those accounts holding illiquid or hard-to-value assets.

- **Commissions** - Payable on securities transactions.
- Clients may pay the following additional fees and/or expenses: Cash sweep compensation and margin interest.

Examples of the most common fees and costs applicable to our clients are:

- Custodian fees,
- Account maintenance fees,
- Fees related to mutual funds and exchange-traded funds,
- Transaction charges when purchasing or selling securities, and
- Other product-level fees associated with your investments.

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.

Your financial professional will provide you with specific costs when discussing securities transactions, and you will see disclosures about commissions, sales charges, or markups/markdowns on trade confirmations, and/or in prospectuses. ***For additional information*** about our fees please call us at 203-869-4800.

### ***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 as my broker-dealer or when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?**

*When we provide you with a recommendation as your broker-dealer or act as your investment adviser, 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 and investment advice we provide you. Here are some examples to help you understand what this means:*

- **Advisory Fees:** The more assets there are in your advisory account, the more you will pay in fees, and the firm may therefore have an incentive to encourage you to increase the assets in your account.
- **Brokerage Commissions and Trails:** The more securities you purchase, the more we will be paid in commissions or other fees. Therefore, we have an incentive to encourage you to increase the size of your investment. Products that pay trails provide on-going fees to us and we have an incentive to recommend them. Also, the amount of trail income received varies from product to product. This creates an incentive to recommend a product that pays a higher trail rather than a lower trail.
- **Brokerage Commissions and Advisory Fees:** Some individuals in our firm are dually licensed as RRs and IARs. When a dual RR/IAR sells you securities, our firm receive commissions or fees, and the RR/IAR is ultimately compensated based on our firm's income. This compensation is separate and in addition to our advisory fees. This practice presents a conflict of interest because our RR/IARs have an incentive to recommend investment products based on the compensation received rather than solely based on your needs.
- **Principal Trading:** We can buy investments from you, and sell investments to you, from our own accounts as principal, but only with your specific approval on each transaction. Because we earn compensation (such as commission equivalents, markups, and markdowns) and can receive other benefits in principal transactions, we have an incentive to trade with you on a principal basis and to recommend securities that

we hold in inventory.

- **Agency Cross Transactions:** Our firm or a related person of our firm acts as a broker-dealer or registered representative of a broker-dealer and executes securities transactions for brokerage customers in which advisory client securities are sold to or bought from the brokerage customer. Because we earn compensation as broker-dealer in these transactions, we are incentivized to trade in this way.

**For additional information**, refer to our brochure at <https://adviserinfo.sec.gov/firm/brochure/13035>, and review Items 5, 10, 12 and 14 to help you understand what conflicts exist. Also, when you do brokerage business with us, we will provide you with additional information, if any, on circumstances or fees that pose conflicts of interest.

### ***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?**

The financial professionals servicing your account(s) are compensated in the following ways, and their compensation depends on their role as RR or IAR:

For **brokerage services**, compensation may include salary, bonuses, product sales fees or commissions, non-cash compensation, cash sweep compensation and/or margin interest. Some of our financial professionals are salaried employees only; others are paid a percentage of sales commissions and other income they generate.

For **advisory services**, compensation is based on the amount of client assets they service, the products sold (i.e., differential compensation); and the revenue the firm earns from the person's services or recommendations. Compensation may include salary, bonus, product sales commissions, non-cash compensation, cash sweep compensation, and margin interest.

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

Yes. Visit <https://www.investor.gov/CRS> for a free and simple search tool to research us and our financial professionals.

### ***Questions to Ask Your Financial Professional***

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

## **Additional Information**

For additional information about our services, or for a current copy of this CRS disclosure, please call us at 203-869-4800, visit <http://searleco.com/> or click this link <https://adviserinfo.sec.gov/firm/brochure/13035>.

### ***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 concerns about how this person is treating me?