

# Relationship Summary

## Form CRS

### Item 1 Introduction

**This relationship summary provides information regarding Bruce A Lefavi Securities, Inc. (“BLS”).** BLS is registered as a broker dealer with the Municipal Securities Rulemaking Board (“MSRB”) and the Securities and Exchange Commission (“SEC”). Registration with the SEC does not imply any level of skill, training, aptitude or qualification. For more information on the MSRB, please visit [www.msrb.org](http://www.msrb.org). BLS is a member of the Financial Industry Regulatory Authority (FINRA), and the Securities Investor Protection Corporation (SIPC). For details please see [www.sipc.org](http://www.sipc.org) and [www.finra.org](http://www.finra.org). **Brokerage and investment advisory services and fees differ, and it is important for retail investors, like yourself, to understand those differences.** Free and simple tools are available to research firms and financial professionals at [www.investor.gov/crs](http://www.investor.gov/crs), where you can find educational materials about broker-dealers, investment advisers, and investing.

### Item 2. Relationships and Services

#### **What investment services and advice can you provide me?**

Bruce A Lefavi Securities (BLS) is a broker dealer offering brokerage services for retail investors and high net worth individuals. We offer a variety of accounts including retirement and brokerage accounts. Our broker-dealer offers securities, including exchange listed stocks, fixed income products, mutual funds, and annuities of various types. For high net-worth individuals, we also offer alternative investments, like limited partnerships, Qualified Opportunity Zones, and 1031 exchanges. BLS is also a licensed insurance producer and offers annuities and other insurance products.

BLS offers recommendations to retail investors when asked to do so by the investor. BLS does not offer on-going monitoring of accounts. Accounts that are serviced by BLS are non-discretionary, meaning that you, the investor, make all decisions regarding the purchase or sale of investments in the account and we will not act without your pin authorization. When customers of BLS approach us for a recommendation, we are required by Regulation Best Interest to provide only those in the customer’s best interest, not our own. For additional information, please see our Regulation Best Interest Disclosure, which contains more specific information and discussion regarding our services.

#### **Conversation Starters – Questions to ask your financial professional**

- **Given my financial situation, should I choose a brokerage service? 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?**

### Item 3. Fees, Costs, Conflicts, and Standard of Conduct

#### **What fees will I pay?**

BLS does not charge fees for brokerage accounts other than as stated below. However, accounts still incur fees imposed by our clearing firm and others, some of which are passed on to BLS. Fees charged on accounts serviced by BLS that are not passed on to BLS include transaction fees, which are charged on a per-trade basis, account maintenance fees, which are charged annually, and statement fees, which are charged quarterly. These fees are detailed in the clearing firm’s account information.

BLS earns interest from client funds kept in “sweep” money market accounts at the clearing firm. Additionally, certain mutual fund share classes may charge fees that are detailed in their prospectus. BLS receives a portion of these fees known as 12B-1 fees (or “trails”). Because 12B-1 fees are BLS’ main source of income, registered representatives may be incentivized to choose share classes that pay the highest fees, rather than share classes that are in your best interest. Likewise, since we receive compensation, we have an incentive to encourage you to invest in greater amounts because we receive more revenue when you do.

Alternative investments purchased through BLS generate commissions as well as offset fees and marketing fees, which are paid to BLS. Offering documents provide details concerning the commission percentage and how much of it is paid by the investor. As an insurance producer, BLS may also receive either up-front or on-going commissions, or both, from the sale of annuities and other insurance products.

**Effective Date of Brochure: April 1, 2021**

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 investment over time. Please make sure you understand what fees and costs you are paying. Details can be found in offering documents, prospectus', and the clearing firm's account opening paperwork.

#### Conversation Starters – 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 acting as my investment advisor? 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 any recommendations we provide you. Here are some examples to help you understand what this means. 1) We may sell you an alternative investment that is not in your best interest in order to earn a high commission. 2) Because annuities pay up-front commissions, we may recommend that you exchange your old annuity for a new annuity for no reason other than to earn a new commission. 3) We earn interest on money market deposits you make which reduces the return you may otherwise receive.*

#### Conversation Starters – Questions to ask your financial professional

- **How might your conflicts of interest affect me, and how will you address them?**  
Clients wishing to purchase alternative investments and annuities are encouraged to purchase advisory share classes and advisory products through our affiliated registered investment advisor, Lefavi Wealth Management, to avoid paying commissions. However, these purchases are subject to asset management fees from the advisor, which are netted against your account return. You should discuss all net-of-commission options with your financial professional before deciding which is in your best interest. Clients should discuss various mutual fund share classes with their financial professional in order to understand how each one's fees are assessed.

#### **How do your financial professionals make money?**

As registered representatives our financial professionals receive compensation from brokerage client transactions. Our financial professionals are also investment advisor representatives of our affiliated Registered Investment Advisor and are paid a percentage of the asset management fees collected from clients. They also earn quarterly, and annual bonuses based on the success of the business. Conflicts of interest exist in how our financial professionals earn money in that they may choose investments and accounts for clients that will earn them more money rather than what will be best for the client. It is important to understand all your available options when making a decision regarding recommended investments.

### Item 4. Disciplinary History

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

Yes. Details can be found online at FINRA's brokercheck, <https://brokercheck.finra.org>. You can also visit Investor.gov/CRS for a free and simple search tool to research our firm and our financial professionals.

#### Conversation Starters – Questions to ask your financial professional

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

### Item 5. Additional Information

For further information about our investment advisory services and to request a copy of this relationship summary, please contact our compliance department at 801-478-8558 or toll free at 800-422-9997 or via email at [compliance@lefavi.com](mailto:compliance@lefavi.com).

#### Conversation Starters – 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?**