



Marex Capital Markets Inc.

FORM CRS Customer Relationship Summary November 2023

Item 1. Introduction

Marex Capital Markets Inc. (the "**Firm**") is a broker-dealer registered with the U.S. Securities and Exchange Commission, and 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://investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

Item 2. Relationships and Services

What investment services and advice can you provide me? Our Firm primarily provides brokerage services to institutional customers. Our Firm also offers brokerage services to high net worth retail investors, including the buying and selling of securities on an agency-only basis. Our brokerage services to retail investors are offered to a limited number of high net worth retail investors on a non-discretionary basis. In non-discretionary relationship, you make the ultimate decision whether to transact in your account. In general, our brokerage representatives recommend investments and investment strategies in equity securities such as common stocks and, on occasion, option transactions.

- i. *Monitoring.* We do not monitor retail investors' accounts.
- ii. *Investment Authority.* Retail investors make the ultimate decision regarding the purchase or sale of investments as all of our retail investor accounts are non-discretionary.
- iii. *Limited Investment Offerings.* Our Firm does not offer proprietary products or restrict retail investors to a limited menu of products or types of investments although we do not generally recommend investments in mutual funds, exchange traded funds, annuities or complex products.
- iv. *Account Minimums and Other Requirements.* We do not impose account size minimums on retail investors' accounts.

A. **Additional Information:** Our brokerage representatives can only recommend products for which the brokerage representative is properly licensed. For example, if your brokerage representative is not licensed to recommend certain types of investments for which additional licensing is required (such as municipal bonds or commodities futures), he or she cannot recommend those investment products even if purchasing them is in your best interest. Accordingly, you should discuss with your brokerage representative whether he or she is licensed to provide recommendations appropriate for your financial needs. Additional information about us can be found on our website at <https://www.marex.com/about-us/regulation/>.

B. **Conversation Starters:** *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. Fee, Costs, Conflicts and Standard of Conduct

What fees will I pay?

- i. The principal fees and costs that retail investors will incur for our brokerage services are commission-based, which are assessed per trade. This means that you will be charged more commissions the more that you trade.

Our Firm assesses transaction-based fees as follows: commissions are assessed on a trade-by-trade basis, potentially with a minimum transaction charge. With respect to addressing conflicts of interest, retail investors are charged more when there are more trades in his or her account, and we may therefore have an incentive to encourage a retail investor to trade often. More specifically, retail investors will be charged the following fees:

- **Brokerage Commissions.** Specific to the limited number of high net worth retail investors, a charge for each transaction in your account is applicable. Commissions vary based on factors including the type of security and size of the transaction and are generally negotiable. The Firm's brokerage representatives charge commissions of either (i) \$0.15 to \$5.00 per share; or (ii) an overall percentage of the transaction amount, but generally not more than 1.8%.
- **Account Maintenance Fees.** A flat fee paid on an annual basis for maintaining your account with the clearing agent.
- **Margin Interest.** A percentage rate applied daily to any margin debit balance in your account, generally equal to a benchmark rate plus a specific amount, which is described in your margin account agreement. These charges represent the cost of borrowing money through the Firm to purchase securities in your account. The Firm is involved in setting the interest rate that is charged to the client and shares in a portion of the interest amount paid.

Description of Other Fees and Costs: In addition to our principal fees and costs disclosed above that a retail investor will pay, directly or indirectly, are: an execution or clearance fee per share (each potentially subject to minimum transaction charge) and stock borrow fees. In addition, you will pay transfer and electronic fund transfer fees, postage, foreign currency exchange fees, deferred sales charges, and other fees and taxes on brokerage accounts and securities transactions, as described in account agreements and other materials that will be provided to you with our recommendations. While the Firm generally does not recommend open-ended or closed-end mutual fund or exchange traded funds, such funds charge internal management fees and other fund expenses, which are disclosed in each fund's offering materials.

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- i. **Additional Information: 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 Starter: "Help me understand how these fees and costs might affect my investments. If I have \$10,000 to invest, how much will go to fees and costs, and how much will be invested?"

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?

- i. Standard of Conduct.

a. *When the Firm provides you with a recommendation as your broker-dealer we have to act in your best interest and not put our interest ahead of yours. At the same time, for all our retail investors, the way the Firm makes money creates some conflicts with your interests. You should understand and ask about these conflicts because they can affect the recommendations provided to you. Here are some examples to help you understand what this means.*

- **Transaction Based Fees.** When you trade securities, we charge a commission. Our Firm makes money from brokerage services we provide to retail investors in the following ways: an execution or clearance fee per share (each potentially subject to minimum transaction charge), margin financing charges and stock borrow fees. This means that the more you decide to trade, the more we are able to charge you.
- **Revenue Sharing and Credit Interest.** When retail investors open a new account, the Firm typically recommends a "sweep option" to hold funds awaiting investment into either cash or money market funds. Certain money market funds pay a distribution or "12b-1 fee" to both the clearing agent and the Firm at an amount that varies depending on the amount of the Firm's client assets invested in such funds with the clearing agent. Because certain money market funds do not pay a 12b-1 distribution fee, the Firm has an incentive to recommend those that do pay such fees because it increases the compensation paid to the Firm, although the Firm's financial professionals do not share in those fees. In addition, the Firm is eligible to receive credit interest from the clearing agent when the Firm recommends cash as the sweep option instead of a money market fund.

Our Firm manages these and other potential conflicts through a robust supervisory program that includes, among other things, the requirement that all of our employees abide by the Firm's Code of Ethics.

- ii. **Conversation Starter: How might your conflicts of interest affect me, and how will you address them?**

How do your financial professionals make money?

- i. Specific to the limited number of high net worth retail investors the Firm services, the Firm's brokerage representatives are primarily compensated through sharing in the brokerage commissions charged for each transaction in your account. Because each transaction in your brokerage account results in a new commission, the Firm has an incentive to recommend that you trade often. In addition, the Firm's brokerage representatives receive a production payout based upon the amount of revenue generated by the representatives' clients in a given billing cycle.

Item 4. **Disciplinary History**

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

Yes, Retail investors may visit [Investor.gov/CRS](https://www.investor.gov/crs) for a free and simple search tool to research our Firm and our financial professionals.

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

Item 5. **Additional Information**

Retail investors can find additional information about the Firm's brokerage services and request a copy of this Customer Relationship Summary at <https://www.marex.com/about-us/regulation/>. Retail Investors may also call our Compliance Department at 212-618-2800 to request up-to-date information and request a copy of this Customer Relationship Summary.

Conversation Starter: 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?

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MAREX CAPITAL MARKETS INC. EXHIBIT TO FORM CRS
(CUSTOMER RELATIONSHIP SUMMARY) NOVEMBER 2023

SUMMARY OF MATERIAL CHANGES

A summary of the material changes^[1] made to Marex Capital Markets Inc.'s Form CRS (Customer Relationship Summary) dated November 2023 is set forth below:

What investment services and advice can you provide me?

We updated our brokerage services description to indicate that (i) we do make recommendations to our retail investor customers and that all retail investor accounts are non-discretionary meaning that customers (not the Firm) make the decision as to whether a transaction in a retail investor account is effected; (ii) generally our recommendations and investment strategies involve equity securities such as common stock and, on occasion, option transactions; (iii) we do not impose account minimums on retail investor accounts; and (iv) we generally do not recommend investments in mutual funds, exchange traded funds, annuities or complex products.

*We added a statement that our brokerage representatives can only recommend products for which the brokerage representative is properly licensed even if purchasing other products for which he or she is not registered is in your best interest'.

What fees will I pay?

- We expanded the description of fees to which a retail investor may be subject to include the following additional information:
 - **Brokerage Commissions.** Specific to the limited number of high net worth retail investors, a charge for each transaction in your account is applicable. Commissions vary based on factors including the type of security and size of the transaction and are generally negotiable. The Firm's brokerage representatives charge commissions of either (i) \$0.15 to \$5.00 per share; or (ii) an overall percentage of the transaction amount, but generally not more than 1.8%.
 - **Account Maintenance Fees.** A flat fee paid on an annual basis for maintaining your account with the clearing agent.
 - **Margin Interest.** A percentage rate applied daily to any margin debit balance in your account, generally equal to a benchmark rate plus a specific amount, described in your margin account agreement. These charges represent the cost of borrowing money through the Firm to purchase securities in your account. The Firm is involved in setting the interest rate that is charged to the client and shares in a portion of the interest amount paid.

Description of Other Fees and Costs: In addition to our principal fees and costs disclosed above that a retail investor will pay, directly or indirectly, are: an execution or clearance fee per share (each potentially subject to a minimum transaction charge) and stock borrow fees. In addition, you will pay transfer and electronic fund transfer fees, postage, foreign currency exchange fees, deferred sales charges, and other fees and taxes on brokerage accounts and securities transactions, as described in account agreements and other materials that will be provided to you with our recommendations. While the Firm generally does not recommend open-ended or closed-end mutual fund or exchange traded funds, such funds charge internal management fees and other fund expenses, which are disclosed in each fund's offering materials.

Standard of Conduct – We added the following examples to illustrate that the way our Firm makes money creates some conflicts with your interests:

- **Transaction Based Fees.** When you trade securities, we charge a commission. Our Firm makes money from brokerage services we provide to retail investors in the following ways: an execution or clearance fee per share (each potentially subject to minimum transaction charge), margin financing charges and stock borrow fees. This means that the more you decide to trade, the more we are able to charge you.
- **Revenue Sharing and Credit Interest.** When retail investors open a new account, the Firm typically recommends a "sweep option" to hold funds awaiting investment into either cash or money market funds. Certain money market funds pay a distribution or "12b-1 fee" to both the clearing agent and the Firm at an amount that varies depending on the amount of the Firm's client assets invested in such funds with the clearing agent. Because certain money market funds do not pay a 12b-1 distribution fee, the Firm has an incentive to recommend those that do pay such fees because it increases the compensation paid to the Firm, although the Firm's financial professionals do not share in those fees. In addition, the Firm is eligible to receive credit interest from the clearing agent when the Firm recommends cash as the sweep option instead of a money market fund.

How do your financial professionals make money?

- We updated this description as follows:

Specific to the limited number of high net worth retail investors the Firm services, the Firm's brokerage representatives are primarily compensated through sharing in the brokerage commissions charged for each transaction in your account. Because each transaction in your

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brokerage account results in a new commission, the Firm has an incentive to recommend that you trade often. In addition, the Firm's brokerage representatives receive a production payout based upon the amount of revenue generated by the representatives' clients in a given billing cycle.

[1]

Other revisions were made to the Customer Relationship Summary to re-word text to provide clarification, but they are not considered material.

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