

# MAINE SECURITIES CORPORATION

## CUSTOMER RELATIONSHIP SUMMARY

Updated February 9, 2022

**Maine Securities Corporation** ("Maine Securities"/ "the firm") is a broker/dealer registered with both FINRA and the Securities and Exchange Commission (SEC). The firm provides retail investment services to investors like you, and in two distinct capacities: Brokerage services and Investment Advisory services. These services are different from one another. The fees you pay are different for each. It is important for you to understand these differences. If your account(s) is/are not governed by an Investment Management Agreement, you should speak with your Maine Securities representative to determine if a managed/investment advisory account would better suit your needs in terms of professional management, overall costs, and service, along with whether or not Maine Securities and/or its personnel are providing any sort of ongoing review of your holdings.

Free and simple tools are available to research firms like Maine Securities and financial professionals including those associated with Maine Securities at <https://www.investor.gov/CRS>, which also provides educational materials that may be helpful.

### WHAT INVESTMENT SERVICES AND ADVICE CAN MAINE SECURITIES PROVIDE TO ME?

Maine Securities and its financial professionals can provide you with brokerage services and with advisory services. "Brokerage services" means buying and selling securities, listed options, bonds, and mutual funds and other transactions that you instruct us to effect for your account. This may take the form of basic brokerage accounts, retirement accounts, college savings accounts, and/or private securities transactions. You should speak with your Maine Securities representative to determine if a managed account is available to you and would better suit your needs—especially if you are seeking to have the purchase, sale, and management of securities in your account managed by an industry professional.

In providing you with brokerage services only, neither your financial professional nor Maine Securities will provide investment advice in a fiduciary capacity in the same manner that Maine Securities provides to its investment advisory clients. We will act in, what we believe to be, your best interests. Any investment recommendations and/or advice provided, will be incidental, but will be provided, in what we believe to be your overall best interests. Your financial professional may voluntarily review your account holdings with you, from time-to-time, but these reviews are not an account monitoring service.

As a brokerage services client, it is your responsibility to provide us with written information about your financial situation, experience, your objectives for this account, and risk tolerance, and to then decide whether to follow any recommendation from your financial professional. Except in special, agreed upon, temporary instances, securities regulations prohibit the firm and its personnel from exercising our discretion to buy or sell securities on your behalf.

#### QUESTIONS YOU MAY WANT TO ASK YOUR MAINE SECURITIES' 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 primary fees and costs associated with a brokerage account are commissions, which you will pay whenever you buy or sell a security. The firm has a \$49/trade minimum commission for most client trades. Most commissions run between \$75 and-\$225, depending upon the number of shares and dollar amount of transaction. The more actively you trade, the more you will pay in aggregate commissions. The firm typically discounts commissions for long term clients and or clients who actively trade securities with the firm. That could incentive us to encourage you to trade more often. Mutual fund fees are disclosed in each fund's prospectus, which will be provided to you prior to investing in that fund. Advisory account compensation is based upon assets under management, which might be more aligned with the performance of the account and/provide incentives for you to place more of your assets on account with us.

**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. If you are considering an advisory relationship with Maine Securities, additional information regarding conflicts can be found in the firm's Form ADV.*

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Other additional Information: You may also incur custodian, transfer, and other fees. More specific information about the third-party fees you might incur in connection with the brokerage services can be found in the Customer Information Brochure published by our correspondent clearing firm, Hilltop Securities (HTS) <https://www.hilltopsecurities.com/wp-content/uploads/sites/3/2021/08/Correspondent-Customer-Information-Brochure-8-27-2021-Final.pdf>

## QUESTIONS YOU MAY WANT 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?*
- *How might your conflicts of interest affect me, and how will you address them?*

## HOW DO YOUR FINANCIAL PROFESSIONALS MAKE MONEY?

Our representatives are compensated by salary and, in certain instances, equity.

## WHAT ARE YOUR LEGAL OBLIGATIONS TO ME WHEN PROVIDING RECOMMENDATIONS AS MY BROKER/DEALER? HOW DOES YOUR FIRM MAKE MONEY AND WHAT CONFLICTS OF INTEREST DO YOU HAVE?

When we provide you with a recommendation as your broker/dealer, we must 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. The firm's revenue is derived primarily from account management fees, commissions, and dividend/interest/capital gains in our own investment portfolio. You should understand and ask us about these conflicts because they can affect the recommendations and any investment advice/recommendations that we provide to you. Examples to help you understand what this means appear throughout this brochure. The firm believes that it offers a full array of securities choices, personalized service, and at competitive costs. Other firms could offer more and/or at lower costs.

## DO YOU OR YOUR FINANCIAL PROFESSIONALS HAVE LEGAL OR DISCIPLINARY HISTORY?

Yes. Our firm and some of our financial professionals have disciplinary history. You should go to <https://brokercheck.finra.org/> and <https://www.investor.gov/CRS> for a free and simple search tool to research Maine Securities and your financial professionals.

## QUESTION YOU MAY WANT TO ASK YOUR FINANCIAL PROFESSIONAL:

- *As a financial professional, do you have any disciplinary history? If so, for what type of conduct? Will that have any bearing on how my account at your firm is handled?*

## ADDITIONAL INFORMATION

You can find additional information about the services we provide, fees you pay, and conflicts of interest by speaking/meeting with us. Maine Securities and its associated professionals frequently buy, sell, and hold the same securities that we recommend to you. The firm adheres to written conflict of interest procedures to assure that the advice you receive from us is consistent with our own activities and that trading activities for the firm and its associates typically occur on different trading days so that they do not conflict with the transactions that we execute for you. In rare instance when they do occur on the same day, your interests are placed ahead of ours.

## ADDITIONAL QUESTIONS YOU MAY HAVE:

- *Who is my primary contact person? Is he or she a representative of your investment adviser, broker-dealer, or both?*
- *Who can I talk to if I have concerns about how this person is treating me?*
- *Can you explain more about how trading activities of Maine Securities and its personnel might or might not affect me, my account, the recommendations that you make to me, and/or transactions made in my account?*

Maine Securities Corporation, 15 Monument Square-Suite 202, Portland, ME 04101-6425 207.775.0800

Member: FINRA, MSRB, SIPC