

FORM CRS RELATIONSHIP SUMMARY

1. INTRODUCTION

Port Securities, Inc. is registered with the Securities & Exchange Commission, FINRA, SIPC and MSRB as a broker-dealer that provides brokerage accounts and services. Brokerage and investment advisory services and fees differ; it is important for you to understand the differences. Free and simple tools are available to research firms and financial professionals at : www.investor.gov/CRS which also provides educational materials about broker-dealers, investment advisers, and investing.

2. WHAT INVESTMENT SERVICES AND ADVICE CAN YOU PROVIDE ME?

- The brokerage services we provide include buying and selling securities and recommending investments to retail investors. Our principal services include stocks, bonds, options, mutual funds, annuities and private placements.
- We can offer you additional services to assist you in developing and executing your investment strategy and monitoring the performance of your account. We are not required to monitor your portfolio or investments on an ongoing basis unless agreed to in advance. Port Securities, Inc. has no requirements to open or maintain an account such as minimums.

Questions to ask:

- *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?*

3. FEES, COSTS, CONFLICTS, AND STANDARD OF CONDUCT

3A. What Fees Will I Pay?

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.

- The fee you pay is based on the specific transaction and not on the value of your account.
- With stocks or exchange-traded funds, the fee is usually a separate commission. With other investments, such as bonds, this fee may be part of the price you pay for the investment (called a mark-up or mark-down). With mutual funds, a fee typically called a load reduces the value of your investment. Mutual funds also charge annual management fees which vary depending on the fund. With certain investments such as variable annuities, you may have to pay fees such as surrender charges to sell the investment, reducing the value of your investment. Options have a per-contract fee that you can be charged.
- We may charge you additional fees such as custodian fees, account maintenance fees, and account inactivity fees. Port Securities, Inc. will collect fees for margin loan balances based on current interest rates and your average loan balance.
- The more transactions in your account, the more fees we will charge you. We therefore have an incentive to encourage you to engage in transactions.

Questions to ask:

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?

3B. 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?

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 the recommendations, we provide you. Here are some examples to help you understand what this means.

- We may buy and sell your investment through our own accounts (called "acting as principal") and we can earn a profit on these trades.
- We can make extra money by selling you certain investments offered by companies that pay our firm to sell their investments. Your financial professional also receives more money if you buy these investments.

Questions to ask:

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

3C. How do your financial professionals make money?

- Financial professionals are compensated in cash from commissions generated. Brokers can be compensated more depending on the amount of gross commission generated.

4. DO YOU OR YOUR FINANCIAL PROFESSIONAL HAVE LEGAL OR DISCIPLINARY HISTORY?

Yes. Visit www.investor.gov/CRS for a free and simple search tool to research us and our financial professionals. For additional information about our brokers and services, visit <https://brokercheck.finra.org/>.

Questions to ask:

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

5. ADDITIONAL INFORMATION

You may request a copy of the Form CRS Relationship Summary by contacting your investment professional at portsecurities@portsecurities.com. You may also call **949-574-9286** for a copy or to request up-to-date information.

Questions to ask:

Who is the primary contact person for my account? Is he or she a registered representative of a broker-dealer? If I have concerns about how this person is treating me, who can I talk to?