

Fortune Securities, Inc.
Customer Relationship Summary
Form CRS, June 20, 2024

Item 1. Introduction:

Fortune Securities, Inc. is a Broker/Dealer firm that is registered with the Securities and Exchange Commission ("SEC") as broker-dealer. We are a member of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investor Protection Corporation ("SIPC"). Brokerage and Investment Advisory services and fees differ. It is important for a retail investor to understand these differences. Free and simple tools are available to research firms and financial professionals at www.investor.gov/CRS, which also provides educational material about broker/dealers, investment advisers, and investing.

Item 2. Relationships and Services

What investment services and advice can you provide me?

Our firm offers brokerage services to retail investors. We provide access to a range of investment products which include equities, options, bonds, mutual funds, exchange traded funds (ETFs), registered/variable products offered by insurance companies and alternative investments managed by unaffiliated third parties. The range of investment options available to you may be limited depending on the types of investments that our firm and your financial professional are currently approved to represent to you. You may select investments, or we will recommend investments for your account, but the ultimate investment decision as to your investment strategy and the purchase and sale of investments will be yours. We do not monitor your brokerage account. Our firm does not maintain discretionary authority on any retail brokerage accounts. There are account minimum requirements to open or maintain an account. The account minimums will vary depending on the account type and the type of investment you are purchasing.

For more information about our services, go to www.fortunesecuritiesinc.com/pdf/RegBI-Disclosure.pdf and read our Best Interest Disclosure.

Conversation Starters you may wish 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?

Depending on the products and services offered, you will pay transaction-based fees, also known as a commission, for each investment made on your behalf. Depending on the investment product you select, these fees can include up-front commission, or in the case of a bond purchase "mark-ups" or "mark-downs" as well as fees that are charged on an on-going basis for as long as you hold the investment, known as "trails" or "12b-1 fees". You would be charged more when there are more trades in your account. Our firm may therefore have an incentive to encourage you to trade often.

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.

In addition, there may be some fees and costs which are charged by third parties. We do not charge these fees or receive any portion of them. These could include transaction fees, safekeeping fees, account maintenance fees, transfer fees, fees related to mutual funds and annuities, or other fees associated with products we recommend to you. We do not receive any benefit from these fees.

For additional fees information, go to www.fortunesecuritiesinc.com/pdf/RegBI-Disclosure.pdf and read our Best Interest Disclosure.

Conversation Starters you may wish 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? 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 may create 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.

- **Front-end Commissions:** Products, such as mutual funds, are available in different share classes. The share class purchased will determine how much of a front-end commission we will receive, if any. This creates an inherent conflict of interest to recommend the share class paying the highest amount.
- **Rollovers:** We will recommend you rollover your employer-sponsored retirement plan into an individual retirement account, which pays us commissions.

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Conversation Starters you may wish 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?

Our financial professionals are compensated through commissions. The amount of compensation varies by transaction and product type. We do not offer additional incentive to our financial professionals based on the types or number of investments they recommend. At times, our financial professionals may receive bonuses based on non-product-related sales, such as total production, recruiting or other factors. Our financial professionals may also receive promotional items, meals, and other noncash compensation from product providers.

These compensation arrangements will create a conflict of interest, which we will mitigate by:

- Informing you of the conflict of interest in our Disclosure;
- Routine supervisory review of transactions.

Item 4: Disciplinary History

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

Yes. For free and simple tools to research our firm and financial professionals, visit www.investor.gov/CRS.

Conversation Starters you may wish 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 additional information about our brokerage services, go to www.fortunesecuritiesinc.com. To request up-to-date information or a copy of this relationship summary, call (626) 281-6001.

Conversation Starters you may wish 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?