

**Paychex Securities Corporation**  
**Form CRS – Customer Relationship Summary**

**September 5, 2024**

**[1] Introduction**

Paychex Securities Corporation (PSC) is registered with the Securities and Exchange Commission (SEC) as a broker-dealer and is a member of the Financial Industry Regulatory Authority (FINRA). Brokerage and investment advisory services and fees differ. It is important for retail investors to understand the 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.

**[2] What investment services and advice can you provide me?**

PSC is an indirect subsidiary of Paychex, Inc., which provides human capital management solutions, such as payroll processing, benefits, and related services to businesses. PSC provides broker services to employer-sponsored tax qualified retirement plans (“plans”). Some of the plans are considered to be “retail investors” because the plan representative, such as a small business owner or sole proprietor, would be deemed a retail investor for purposes of this Form CRS disclosure.

With respect to the plans, PSC processes orders to buy or sell a limited menu of mutual fund products.

PSC is not an investment adviser. We do not provide any form of investment advice or investment recommendations. Plans may employ independent broker-dealers or investment advisers for such services. We do not monitor investments for any persons. PSC does not accept investment authority: plans and plan participants make the decisions regarding the purchase or sale of investments within the plan’s investment menu. We do not offer sales of single company securities, such as stocks or bonds. We do not have account or investment minimums.

**Conversation Starter:** “Given my financial situation, should I choose a brokerage service? Why or why not?”

**Conversation Starter:** “What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?”

**[3A] What fees will I pay?**

Description of Fees and Costs.

All single-employer plans or plan sponsors pay monthly, quarterly, and annual fees to Paychex, Inc. (Paychex), which are used to employ the appropriate Paychex personnel and develop and maintain recordkeeping systems to help employers administer the plan’s provisions. Employers participating in the Paychex Pooled Employer 401(k) Plan (the PEP) similarly pay monthly and other fees to Paychex Retirement LLC, which are (either directly or indirectly through a third-party) used to provide services relating to the PEP, including recordkeeping services. Plans or employers also pay Paychex or Paychex Retirement LLC (as applicable) certain other administrative fees such as set-up fees, manual documentation preparation fees, and wire/ACH fees. These “Third-Party Administrative Fees” are laid out in the applicable Client Fee Disclosure. PSC does not receive any portion of these Third-Party Administrative Fees. Plan participants also pay certain fees for services they select (e.g., loan origination fees, etc.), which are laid out in the applicable Participant Fee Disclosure.

In certain circumstances, PSC receives “Investment Related Fees” in the form of 12b-1 fees (which are used to cover the costs of marketing and distributing fund shares), Shareholder Servicing Fees, and Sub-Transfer Agent Fees, which are paid from the fund’s assets in which a plan is invested. Investment Related Fees are based on the total dollar amount held in the plan’s investments. Alternatively, single-employer plans may elect to receive the Investment Related Fees (referred to as the “Return of Concessions Feature”) and pay an annualized account fee on a monthly basis to Paychex. (referred to as the “Annual Account Fee”). The Return of Concessions Feature is automatically included in the PEP services and charged to PEP clients as part of the “Pooled Employer Plan Fee.” PSC does not receive any portion of the Annual Account Fee or the Pooled Employer Plan Fee.

Each mutual fund describes whether and how it pays Investment Related Fees as well as the services the mutual fund receives in exchange for these payments, in its Prospectus and Statement of Additional Information. Fees charged to each plan are described in the plan’s Retirement Plan Fee Disclosure Statement and Retirement Services Agreement or Paychex Pooled Employer Plan Services Agreement (as applicable) (each is referred to herein as the “Services Agreement”).

**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 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?**

We **do not** provide recommendations with respect to the fund line-ups selected for each single-employer plan. Plans may employ independent broker-dealers or investment advisers for such services. The way PSC makes money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the services we provide you. Here are some examples to help you understand what this means.

In the event that a single-employer plan does not elect the Return of Concession Feature, PSC receives payments in the form of Investment Related Fees (described above). The amount of Investment Related Fees increases with the amount of plan assets invested and may have the effect of reducing returns on plan investments. In addition, federal law, Paychex and Paychex Retirement LLC (as applicable) provide for features to incentivize plan participant savings by allowing plan sponsors (or participating employers in the case of the PEP) to select “automatic enrollment” and/or “automatic increase” of deferral percentages, which may increase the amount of assets in the plan or the PEP, thus increasing Third Party Administrative Fees to Paychex and Investment Related Fees to PSC.

Additional information is provided in the Prospectuses and Statements of Additional Information for each mutual fund, and in the plan’s Retirement Plan Fee Disclosure Statement and Services Agreement.

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

**[3C] How do your financial professionals make money?**

Our financial professionals are employees of Paychex, or an affiliate. Their salaries and any bonuses are paid by Paychex or an affiliate. Bonus payments may be based on Third Party Administrative Fees paid to Paychex by the plans or the PEP, which may increase depending on the amounts of plan assets invested and the selection of plan type or plan options. Although financial professionals do not recommend any specific fund line-ups, specific fund shares, or investment strategies, they may recommend a plan structure, such as a single-employer plan structure or a PEP structure. From time to time, Paychex may provide cash and non-cash incentives to financial professionals based on sales of the PEP structure to the extent an employer is eligible. This could create a conflict to favor the PEP structure, and its related plan fiduciary and administrative fees, over the single-employer plan structure, which assesses a different and lower fee structure for different plan services.

**[4] Do you or your financial professionals have any legal or disciplinary history?**

**Yes** - Visit [Investor.gov/CRS](https://www.investor.gov/crs) for a free and simple search tool to research us and our financial professionals.

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

**[5] Additional Information**

If you would like additional, up-to-date information or a copy of this disclosure at no charge, please call (800) 472-0072, and select Option 3. Clients that participate in the PEP should call (866) 383-6056.

**Conversation Starter:** “Who is my primary contact person? Is he or she a representative of a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?”