

## Introduction

Nelson Securities, Inc. (“NSI”) dba Wealth Asset Managers is registered with the U.S. Securities and Exchange Commission (SEC) as both a broker-dealer and an investment advisor and is a member of the Financial Regulatory Association (FINRA) and the Securities Investor Protection Corporation (SIPC). Please be advised that brokerage and investment advisory services and fees differ and that it is important for you to understand the differences. Free and simple tools are available to research our firm and financial professionals at [www.investor.gov/CRS](http://www.investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

## What investment services and advice can you provide me?

There are different ways you can get help with your investments. You should carefully consider which types of accounts and services are right for you. Depending on your needs and investment objectives, we can provide you with services in a brokerage account, investment advisory account, or both.

### Brokerage Services

If you open an account with a direct mutual fund or an annuity company, you may select investments, or we may recommend investments for your account, but the ultimate investment decisions for your investment strategy and the purchase or sale of investments will be yours.

We can offer you additional services to assist you in developing and executing your investment strategy and monitoring the performance of your account, but you might pay more (see Investment Advisory Services).

We offer a limited selection of investments. Other firms could offer a wider range of choices, some of which might have lower costs.

Account minimums vary depending on the account type selected.

### Investment Advisory Services

If you open an investment advisory account, we will offer you advice on a regular basis. We will discuss strategies with you to achieve your investment goals, and regularly monitor your account. We will attempt to contact you regularly to discuss your portfolio.

You can choose an account that allows us to buy and sell investments in your account without asking you in advance (“discretionary account”) or we may give you advice and you decide what investments to buy and sell (“non-discretionary account”).

Our investment advice will cover a limited selection of investments. Other firms could provide advice on a wider range of choices, some of which might have lower costs.

Account minimums are between \$5,000 - \$25,000 depending on the advisory program selected.

**Additional Information.** For more information about our services, we recommend reading our Regulation BI disclosure and ADV Part 2A, Item 4. <https://www.nelsonsecurities.com/nelson-securities-inc-s-disclosures>

## What fees will I pay?

**Fees and Costs.** *Fees and costs affect the value of your account over time. Please ask your financial professional to give you personalized information on the fees and costs that you will pay.*

## ***Brokerage Services***

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**Mutual Fund** companies charge fees for the cost of running their funds. Some funds cost more to operate than others.

- All mutual funds have a fee referred to as an expense ratio. This fee is deducted from the total assets of the fund before your share price is determined.
- Mutual funds are designed to be long-term investments; short-term trading fees may be imposed on some funds to discourage investors from trading in and out of funds.
- Some shares classes charge a commission referred to as a sales charge or a front-end load.
- Some share classes will charge a redemption fee, also referred to as a back-end load, or a contingent deferred sales charge (CDSC), if you sell your shares within a specified time frame. Investors can often avoid these fees by holding the fund for 1 year (i.e. C shares).
- Many funds have an ongoing service or marketing fee, also called a 12(b)1 fee, which is paid to a financial advisor as compensation for marketing the fund. Just like the expense ratio, this service fee will be deducted out of the total fund assets before your share price is determined.

**Variable Annuities**, like most financial products, come with costs. Those costs depend on the annuity product chosen. The following are charges/fees that may be applied to your policy. Be sure to talk to your financial advisor to understand which fees will apply to you.

- Internal expenses of the underlying subaccount investments.
- A small annual administrative fee may be assessed but is often waived once when your policy is above a certain asset level.
- Mortality & Expense fees are included to cover the cost of death benefits (Annuities typically offer a death benefit), while income guarantees have an additional Rider fee.
- A "surrender charge" is a sales charge you must pay if you sell or withdraw money from a variable annuity during the "surrender period" (a set period of time that typically lasts 6-8 years after you purchase the annuity). Surrender charges will reduce the value and the return of your investment.

## ***Investment Advisory Services***

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**Managed and Investment Advisory** services are paid with a fee each month based on the value of the cash and investments in your advisory account.

- The amount paid to our firm and your financial advisor generally does not vary based on the type of investments we select on your behalf. The asset-based fee reduces the value of your account and will be deducted from your account.
- You may be charged additional fees, such as custodial fees, account maintenance fees, and transaction fees by the selected custodian.
- Our fees vary and are negotiable. The amount you pay will depend, for example, on the services you receive and the amount of assets in your account.
- The more assets you have in your advisory accounts, including cash, the more you will pay in fees. We, therefore, have an incentive to increase the assets in your account in order to increase our fees. You pay the annual fee even if you do not buy or sell.
- An asset-based fee may cost more than a transaction-based fee, but you may prefer an asset-based fee if you want continuing advice or want someone to make investment decisions for you.
- For some advisory accounts, called wrap fee programs, the asset-based fee will include most transaction costs and custody services, and as a result wrap fees are typically higher than non-wrap advisory fees. We do not actively solicit assets to put into wrap fee programs; however, we have made exceptions under certain conditions.

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.

**Additional Information.** For more information about our services, we recommend reading our Regulation BI disclosure and ADV Part 2A, Item 5. <https://www.nelsonsecurities.com/nelson-securities-inc-s-disclosures>

### What are your legal obligations to me when providing recommendations as my broker-dealer or when acting as my investment advisor? How else does your firm make money and what conflicts of interest do you have?

When we act as your broker-dealer or investment advisor, we must act in your best interest and not put our interest ahead of yours. At the same time, the way we make money could create some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means.

**Potential Conflicts of Interest.** We will devote as much of our time to the activities as it deems necessary to act in a fiduciary capacity and in your best interest.

- A conflict could occur if you want to withdraw your funds to pay for personal expenses. We mitigate this conflict as we will facilitate your requests.
- Because we are a broker-dealer, as well as an investment advisor, when developing a suitable portfolio for you, we may also utilize securities, mutual funds and annuities (variable, fixed and indexed). In addition, we offer life insurance products. We also recommend security transactions for other clients. The current advisory relationships and brokerage activity, as well as other similar relationships or activities that we may establish in the future, create a potential conflict of interest, in that the time and effort of your financial advisor will not be devoted exclusively to any particular client's affairs, but will be allocated among all clients. Furthermore, investment opportunities may be limited and your financial advisor must attempt to allocate opportunities equitably among their various clients.
- We allow our employees to purchase or sell the same securities that may be recommended on your behalf. Owning the same securities that we recommend to our clients presents a potential conflict of interest that, as fiduciaries, we must disclose and mitigate through policies and procedures. We have also adopted written policies and procedures to detect the misuse of material, non-public information. We may have an interest or position in certain securities, which may also be recommended to you. At no time, will our firm or any of its personnel, transact in any security to the detriment of you or any client.
- A conflict could occur because different products have different fee rates this could lead to a conflict, however we mitigate this conflict through our commitment to your best interest and adherence to our Code of Ethics.
- Some financial professionals are known to be biased toward recommending classes of mutual funds to their clients that pay an on-going trailer from the fund company. We mitigate this conflict by fully disclosing all share options to you prior to investments.
- Your assets will not be commingled with other client assets managed by the firm.

**Additional Information.** For more information about our services, we recommend reading our Regulation BI disclosure and ADV Part 2A. <https://www.nelsonsecurities.com/nelson-securities-inc-s-disclosures>

### How do your financial professionals make money?

Our financial professionals are compensated based on a combination of salary, the revenue our firm earns from their advisory services or recommendations, the amount of client assets they service, and the time and complexity required to meet a client's needs.

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

No, please visit [www.investor.gov/CRS](http://www.investor.gov/CRS) for free and simple search tools to research NSI and our financial professionals.

## Additional Information

We recommend that you visit our firm's website [www.nelsonsecurities.com](http://www.nelsonsecurities.com) where you can find information about our firm, our personnel and view our various disclosures. You can also request additional copies of this Relationship Summary by contacting us.

Additional information about NSI is available on the SEC's website at <https://adviserinfo.sec.gov/firm/summary/14377> and at <https://brokercheck.finra.org/firm/summary/14377>.

We encourage you to be open with your financial professional and their assistants; however, you may contact our Chief Compliance Officer, Shyla Gibson, if necessary. If you have any questions about the contents of this Relationship Summary, please contact us at (800) 345-7593 or by email at [sgibson@nelsonsecurities.com](mailto:sgibson@nelsonsecurities.com).

### **Questions to ask us**

- *Given my financial situation, should I choose an investment advisory or brokerage service? Or both?*
- *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?*
- *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?*
- *As a financial professional, do you have any disciplinary history? For what type of conduct?*
- *Who is my primary contact person?*
- *Are they a representative of a registered investment advisor or a broker-dealer?*
- *Who can I talk to if I have concerns about how this person is treating me?*