

**Which Type of Account is Right for You — Brokerage, Investment Advisory or Both?**

There are different ways you can get help with your investments. You should carefully consider which types of accounts / services are right.

**Depending on your needs and investment objectives, we can provide you with services in a brokerage account, investment advisory account, or both at the same time.** This document gives you a summary of the types of services we provide and related costs. Please ask us for more information. There are some suggested questions on page 4.

<i>Broker-Dealer Services</i> <b>Commission Based Accounts</b>	<i>Investment Adviser Services</i> <b>Fee Based Accounts</b>
<b>Types of Relationships and Services.</b> <i>Our accounts and services fall into two categories.</i>	
<ul style="list-style-type: none"> <li>● If you open a brokerage account, you will pay us a <b>transaction-based fee</b>, generally referred to as a commission, every time you buy or sell an investment.</li> <li>● You may select investments, or we may recommend investments for your account, but the ultimate investment decision for your investment strategy and the purchase or sale of investments will be yours.</li> <li>● 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. We will deliver account statements to you each quarter in paper or electronically.</li> <li>● All of the products and services offered by Excel as a broker dealer are commission-based offerings including buying and selling securities. All new customer accounts are opened as a brokerage account. Excel acts as an introducing BD through a definitive agreement with Pershing LLC, a wholly owned entity of the Bank of New York Mellon.</li> <li>● As a commission-based customer, we are obligated to always act in your best interest as defined by Securities &amp; Exchange Regulation Best Interest. As a commission-based brokerage customer you will be introduced to an account representative that will become your registered representative (RR) and primary point of contact with the firm. All account related activity except for automated money market sweep activity must be authorized by you prior to us taking any action.</li> <li>● Your RR also has an obligation and duty to always act in your best interest when making recommendations. Unless specifically agreed to in writing, neither Excel nor its registered representatives (RRs) are performing account monitoring services for these accounts. As such it is critical that you regularly review your account, its holdings, and proactively communicate to your RR. Any supervisory concerns can be directed to Terrence Britt 585-424-1234</li> </ul>	<ul style="list-style-type: none"> <li>● Excel Securities and Associates, Inc. (hereinafter, “Excel”) has been engaged in investment related business since 1978 predominately providing investment advisory services to individuals and trusts. If you open an advisory account, you will pay an on-going <b>asset-based fee</b> for our services.</li> <li>● At inception of your account we will establish a periodic review frequency and method of communication regarding our review findings. You can choose an account that allows us to act upon the most current and timely investment information prior to contacting you (a “<b>discretionary account</b>”) or we may provide you advice and you make the choice around what to buy and sell and the timing of these transactions (a “<b>non-discretionary account</b>”).</li> <li>● 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.</li> <li>● Excel currently sponsors three programs: FB Advisory, Managed ETF Portfolios, and Morningstar Managed Portfolios. The FB Advisory program is offered in three variations referred to as version 1, version 2, and version 3. Program versions 1 &amp; 2 are discretionary offerings and version 3 is a non-discretionary offering. Program version 1 is a wrap program while versions 2 &amp; 3 are not wrap program offerings. Each of the non-wrap programs are subject to \$19 transaction charge while wrap programs are not.</li> <li>● The Managed ETF Portfolios are a fully discretionary wrap program which leverages publicly available research provided by third parties in the creation and management of the program portfolios. Excel allocates client assets to the selected model.</li> <li>● The Morningstar Managed Portfolios are a discretionary wrap program which is sub-advised by Morningstar Investment Management. Excel Securities pays Morningstar a licensing</li> </ul>

*Relationship Summary for Excel Securities & Associates, Inc.  
(CRD# 16629/SEC#: 801-69225,8-34261)*

<p>britt@excelsecurities.com.</p>	<p>fee and Morningstar in turn provides Excel the portfolio composition for each model. Excel allocates client assets based on information provided by Morningstar for each model.</p>
<p><b>Our Obligations to You.</b> <i>We must abide by certain laws and regulations in our interactions with you.</i></p>	
<ul style="list-style-type: none"> <li>• We must act in your best interest and not place our interests ahead of yours when we recommend an investment or an investment strategy involving securities. When we provide any service to you, we must treat you fairly and comply with a number of specific obligations. Unless we agree otherwise, we are not required to monitor your portfolio or investments on an ongoing basis.</li> </ul>	<ul style="list-style-type: none"> <li>• We are held to a fiduciary standard that covers our entire investment advisory relationship with you. For example, we are required to monitor your portfolio, investment strategy and investments on an ongoing basis.</li> <li>• We strive to eliminate identifiable conflicts of interest and avoid situations that can create perceived conflicts of interest. Occasionally, circumstances beyond our control prevent us from accomplishing that mission. When faced with these circumstances we will disclose these conflicts or perceived conflicts in a way you can understand, so that you can make informed choices.</li> </ul>
<p><b>Fees and Costs.</b> <i>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.</i></p>	
<ul style="list-style-type: none"> <li>• <i>Transaction-based fees.</i> You will pay us a fee every time you buy or sell an investment. This fee, commonly referred to as a commission, is based on the specific transaction and not the value of your account. With stocks or exchange-traded funds, this fee is usually a separate commission. With other investments, such as bonds, this fee might be part of the price you pay for the investment (called a “<i>mark-up</i>” or “<i>mark down</i>”). With mutual funds, this fee (typically called a “<i>load</i>”) reduces the value of your investment.</li> <li>• Some <i>investments</i> (such as mutual funds and variable annuities) impose additional fees that are called internal fund expenses. These expenses will act as a drag on account performance over time. Variable annuities have expenses related to the cost of insurance referred to as M&amp;E. Also, with variable annuities, you may have to pay fees such as “<i>surrender charges</i>” to sell the investment.</li> <li>• Our fees vary and may be negotiable. The amount you pay will depend, for example, on the size, frequency, and type of investments you make. Every brokerage account transaction is subject to a service fee in addition to the commission or mark-up described above. The service fee will be equal to \$3.75. Sale transactions of open-ended mutual funds will be subject to an addition service charge of \$11.25 for a total service charge of \$15. All sale transaction are subject to an SEC fee referred to as the Section 31 Transaction Fee. The SEC fee is a nominal fee attached to the sale of exchange-listed equities, above and beyond any associated brokerage commissions, that may</li> </ul>	<ul style="list-style-type: none"> <li>• <i>Asset-based fees.</i> You will pay an on-going fee at the end of each quarter based on the value of the cash and investments in your advisory account. Excel collects fees from all FB Advisory program accounts expressed as an annual percentage of client assets and billed monthly in advance. Excel collects fees from all MAC Advisory program accounts expressed as an annual percentage of client assets and billed quarterly in advance. Fees charged will vary depending on the program category, program type, and the value of the account.</li> <li>• <i>For some</i> advisory accounts, called <i>wrap fee programs</i>, 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. Clients electing a wrap fee program are charged an advisory fee expressed as an annual percent of their account value. These fees are billed monthly in advance and include the cost of Advisory services, all transaction costs, and performance reporting. In addition to the billed monthly advisory fee, wrap accounts may encounter additional expenses resulting from the internal expenses of mutual funds and related investment types.</li> <li>• <i>Clients</i> electing a non-wrap fee program are charged an advisory fee expressed as an annual percent of their account value. These fees are billed monthly in advance and include the cost of Advisory services only. The differentiating factor between these two account types (wrap versus non-wrap) is how the cost associated with certain account activities is billed. When using a wrap account, a portion of the fee collected is retained by Excel to offset the costs of transaction fees and other operational expenses.</li> </ul>

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ultimately be absorbed by investors. The SEC fee is defined as Section 31 of the Securities Exchange Act of 1934.

- Retirement Account Fees: Annual Fee \$50  
Closing Fee \$125
- Non- Retirement Account Fee: \$18 (charged quarterly at \$4.50)
- Automated Outgoing Account Transfer Fee \$125
- Paper Surcharges: (can be avoided by enrolling in electronic delivery) includes: confirmations (\$1.25 per), statements (\$1.25 per)
- Check Writing related to fees and charges Various (elective)
- Commissions Variable
- Transaction Service Charges \$2.75 per transaction

- In addition to the fees described above each commissionable account is subject to a quarterly fee of \$4.50. The fee is calculated as \$1.50 for each complete calendar month an account is open and is assessed quarterly.
- We reserve the right to liquidate holdings in your account for unpaid fees that age more than 90 days.

When using a non-wrap program these costs are billed directly to the client account. Because the cost of these items can be variable the client may want to explore the cost effectiveness of each program type.

**Maximum Customer Fee**

Household Asset Level	FB Advisory Version 1	FB Advisory Version 2	FB Advisory Version 3	METF	Morningstar Portfolios
Billing Frequency	Monthly	Monthly	Monthly	Monthly	Monthly
Minimum Annual Fee	\$204	\$0.00	\$0.00	\$204	\$204
First \$500,000	1.50%	1.25%	0.75%	1.50%	1.50%
Next \$500,000	1.45%	1.20%	0.70%	1.45%	1.45%
Next \$1 million	1.40%	1.15%	0.65%	1.40%	1.40%
Next \$3 million	1.35%	1.10%	0.60%	1.35%	1.35%
Next \$5 million	1.30%	1.05%	0.55%	1.30%	1.30%
Above \$10 million	1.25%	1.05%	0.50%	1.25%	1.25%

- Some investments (such as mutual funds and variable annuities) impose additional fees that will reduce the value of your investment over time. The only variable annuities that Excel allows to be used in conjunction with an advisory account are annuities with no CDSC, no minimum holding periods, and all riders are elective inclusive of death benefits. The impact is considerably lower expenses associated with M&E, and insurance related costs. Our fees vary and are negotiable.

**Broker-Dealer Services  
Brokerage Accounts**

- The more transactions in your account, the greater the aggregate amount of commission you will be charged. We therefore have a perceived incentive to encourage you to engage in transactions.
- From a cost perspective, you may prefer a transaction-based account if you do not trade often or if you plan to buy and hold investments for longer periods of time.
- Commission based brokerage customers will incur a fee upon buying or selling securities in your account except for automated money market sweep transactions. All exchange traded securities will be subject to transaction charges in accordance with our commission schedule [www.excelsecurities.com/commissions](http://www.excelsecurities.com/commissions). There may be instances when the firm either marks up or marks down its cost of the investment security and in these instances the transaction cost is defined as a principal transaction mark up or mark down and is disclosed on the transaction confirmation.

**Investment Adviser Services  
Advisory Accounts**

- The more assets you have in the advisory account, including cash, the greater the amount of asset-based fees. We therefore have an incentive to increase the assets in your account in order to increase our fees. You pay our fee quarterly even if you do not buy or sell.
- Paying for a wrap fee program could cost more than separately paying for advice and for transactions if there are infrequent trades in your account.
- 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. You may prefer a wrap fee program if you prefer the transparency of a monthly fee regardless of the number of transactions you have.

**Conflicts of Interest.** *We benefit from the services we provide to you.*

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<ul style="list-style-type: none"> <li>• We can make extra money by selling you certain investments, either because they are managed by someone related to our firm or because they are offered by companies that pay our firm to offer their investments. Your financial professional also receives more money if you buy these investments.</li> <li>• In addition, we can make extra money through a default money market sweep program through which we receive compensation from the balances in these sweep product.</li> </ul>	<ul style="list-style-type: none"> <li>• We can make extra money by advising you to invest in certain investments, because they are managed by someone related to our firm. Your financial professional also receives more money if you buy these investments.</li> </ul>
<p><i>Broker-Dealer Services Brokerage Accounts</i></p>	<p><i>Investment Adviser Services Advisory Accounts</i></p>
<ul style="list-style-type: none"> <li>• We can buy investments from you, and sell investments to you, from our own accounts (called “<i>acting as principal</i>”). We can earn a profit on these trades, so we have an incentive to encourage you to trade with us.</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>
<p><b>Additional Information.</b> <i>We encourage you to seek out additional information.</i></p>	
<ul style="list-style-type: none"> <li>• To identify all relevant legal and disciplinary events visit <a href="http://www.Investor.gov">www.Investor.gov</a> for a free and simple search tool to research our firm and our financial professionals. Our Brokerage Firm is Regulated by FINRA (Woodbridge district office).</li> <li>• For additional information about our brokers and services, visit Investor.gov or <a href="http://BrokerCheck.Finra.org">BrokerCheck</a> (BrokerCheck.Finra.org), our website (<a href="https://www.excelsecurities.com/">https://www.excelsecurities.com/</a>), and your account agreement. For additional information on advisory services, see our Form ADV brochure on IAPD, on Investor.gov, or on our website (<a href="https://reports.adviserinfo.sec.gov/reports/ADV/16629/PDF/16629.pdf">https://reports.adviserinfo.sec.gov/reports/ADV/16629/PDF/16629.pdf</a>) and any brochure supplement your financial professional provides.</li> <li>• To report a problem to the SEC, visit Investor.gov or call the SEC’s toll-free investor assistance line at (800) 732-0330. To report a problem to FINRA, you can contact the FINRA Investor Complaint Center at (240) 386-HELP (4357). If you have a problem with your investments, account or financial professional, contact us in writing at <a href="mailto:support@excelsecurities.com">support@excelsecurities.com</a> or Toll-Free: (800) 323-3746.</li> </ul>	
<p><b>Key Questions to Ask.</b> <i>Ask our financial professionals these key questions about our investment services and accounts.</i></p>	
<ol style="list-style-type: none"> <li>1. Given my financial situation, why should I choose an advisory account? Why should I choose a brokerage account?</li> <li>2. Do the math for me. How much would I expect to pay per year for an advisory account? How much for a typical brokerage account? What would make those fees more or less? What services will I receive for those fees?</li> <li>3. What additional costs should I expect in connection with my account?</li> <li>4. Tell me how you and your firm make money in connection with my account. Do you or your firm receive any payments from anyone besides me in connection with my investments?</li> <li>5. What are the most common conflicts of interest in your advisory and brokerage accounts? Explain how you will address those conflicts when providing services to my account.</li> <li>6. How will you choose investments to recommend for my account?</li> </ol>	