



## Hazard & Siegel Inc.

Broker Dealer Client Relationship Summary (CRS)

September 28, 2021

**Introduction** – Hazard & Siegel, Inc. (H&S) is a Financial Industry Regulatory Authority (FINRA) and Securities and Exchange Commission (SEC) registered broker dealer and is also a member of the Securities Investor Protection Corporation (SIPC) and the Municipal Securities Rulemaking Board (MSRB). The registered representatives of our firm are also FINRA registered and provide retail investment services through Hazard & Siegel, Inc. Brokerage Services and Investment Advisory Services fees differ and it is important for the retail investor to know the difference

*Free and simple tools are available to research firms and financial professionals at [www.investor.gov/CRS](http://www.investor.gov/CRS), which also provides educational materials for retail investors about broker dealers, investment advisors and investing.*

**What investment services and advice can you provide me?** We offer brokerage services to retail investors. Recommendations to clients are made based on ongoing consultations and analysis of each client's specific financial needs. We provide retail brokerage investment services which may entail research of selected investment products, and the execution of investment transactions held within client accounts. We currently offer mutual funds, variable annuities, group annuities, variable life insurance, 529 plans, and public non-traded alternative products. The firm does not have any minimum requirements for a retail investor to open or maintain an investment account, except those imposed by each investment company and its product. The firm does not offer proprietary products, and attempts to offer as many choices to clients within the parameters of the product offerings outlined above. We adhere to standards which require that we make recommendations that put client interests above those of ourselves and our firm and are considered suitable and in your best interests. The firm does not have a formal system or process for monitoring retail investor's investments.

Your representative may also be licensed to function as an Investment Advisor Representative (IAR) to offer **Investment Advisory Services**. Some of our representatives that are licensed utilize the services of a Registered Investment Advisor (RIA) that has common ownership with our broker dealer; others may have their own RIA. If a representative does offer advisory services, they will offer you a separate customer relationship summary that details how you may interact with them for those services.

Conversely, some of our representatives are not registered to function as IARs, and are therefore limited in the products and services they may offer to a retail investor to those brokerage services approved by the firm.

Almost all of our representatives are insurance licensed, and may offer and service fixed insurance products through outside agencies. These services are not offered directly by the broker dealer.

**Conversation Starter** – *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?*

**What will my fees be?** Brokerage services for retail investors, which are executed through our broker dealer, are strictly transaction based. Dependent upon the investment product you select, fees may include some sort of upfront sales charge and ongoing internal expense fees. Some investment choices may not have an upfront sales charge but may potentially impose a contingent deferred sales charge (CDSC) if the investment is redeemed within a certain period of time. Insurance based investment products generally have mortality and expense (M&E) fees, and there may be additional fees for optional features and benefits that may be chosen. Finally, some products may charge an additional flat annual fee for holding your account. All fees and charges are all detailed in the prospectus of the investment product.

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 investment? If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me? Will there be any fees if I sell my investment with you?*

**What are your legal obligations to me when acting as my broker dealer? 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 interests 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:*

- **Different commission schedules for different investment share classes.** Many investments offer different share classes. These different share classes offer different combinations of upfront sales charges (or not), higher or lower ongoing fund expenses, and Contingent Deferred Sales Charges (CDSC) or not. While the individual holdings within the investment may be the same, if, how, and when fees are charged to you varies greatly. How and when our firm is paid differs between share classes – this may conflict with the fees and expenses that you may incur for a specific share class that may be most suitable for you.
- **Very similar products with differing commission payments** – we sometimes have very similar investment options from different product sponsors. One product may pay our firm more than the other; we therefore have an incentive to recommend the product with the higher commission payment to us.
- **Broker Dealer vs Advisory** – if one of our representatives is both broker dealer and advisory registered, how and when the representative gets paid may differ dependent upon whether the account is done as a broker dealer account or as an advisory account. They may have an incentive to offer the investment one way rather than the other.
- **Compensation Split between the firm and the registered representative** – the firm shares commissions and fees received with its licensed personnel. The representative’s portion increases based on their total production for the year. While this does not affect how much you pay for brokerage services on any specific transaction, the representative may potentially be incentivized to recommend a certain investment that would pay a higher initial commission to the firm, which might qualify the representative for a larger percentage of commissions and fees received by the firm on their behalf.
- **Marketing Support Payments** – We receive payments from third party product sponsors and managers for reimbursements of marketing expenses such as client seminars, educational meetings and general marketing support.

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

**How do your financial professionals make money?** As a registered representative of a broker dealer, your representative will receive commissions for investment services from the sale of securities products through the broker dealer. These commissions may take the form of “upfront” compensation, based on the amount of the investment and paid to the firm at the time of the sale; an ongoing service fee, or “trail” based on the value of your account and most often paid quarterly or monthly; or most usually, a combination of the two.

**Conversation Starter** – *How will you be getting paid on this account? Will you receive ongoing payments to service my account?*

**Do you or your financial professionals have legal or disciplinary history?** – **Yes.** History on us or any person registered with us may be found on the FINRA Broker Check website at <https://brokercheck.finra.org>. Additionally, we would invite you to visit the SEC website [www.investor.gov/CRS](http://www.investor.gov/CRS) for a free and simple search tool to research the firm and its financial professionals.

**Conversation Starter** – *As my financial professional, do you have any disciplinary history? For what type of conduct?*

**Additional Information** - For additional information about our firm and its services, please visit our website at [www.hazardsiegel.com](http://www.hazardsiegel.com). If you have any further questions, please contact our president, David Mullen at (315) 414-0722 or by email at [dmullen@hazardsiegel.com](mailto:dmullen@hazardsiegel.com). If you would like an additional copy of this disclosure, please call 315-414-0722.

**Conversation Starter** – *Who is my primary contact person? Is he/she a representative of an investment advisor or a broker dealer? Who can I talk with if I have concerns about how this person is treating me?*