

## **SAMCO Capital Markets, Inc.– Client Relationship Summary (Form CRS) – March 2021**

### **Introduction**

SAMCO Capital Markets, Inc. (“SAMCO”), is registered with the Securities and Exchange Commission (“SEC”) as a broker-dealer. Brokerage and investment advisory services and fees differ, and it is important for you to understand the differences. There are free and simple tools available to research firms 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?**

We offer brokerage services to retail investors, including: selling corporate debt securities, retailing corporate equity securities, U.S. government securities broker, Mutual fund retailer, selling interests in mortgages or other receivables, Municipal securities broker, Municipal securities dealer, Non-exchange member arranging for transactions in listed securities by exchange member, Put and call or option writer, Private placement of securities, selling tax shelters or limited partnerships in primary distributions, Trading securities for own account, and Underwriter or selling group participant (municipal bonds, corporate securities other than mutual funds).

SAMCO will not monitor your account or investments as part of our standard services. SAMCO will not trade your account on a discretionary basis; instead, you must direct SAMCO to act in your account. Despite non-monitoring of your account, and non-discretionary action by SAMCO, if you open an account with our firm, we will ask about your current financial situation, existing resources, goals, objectives, and risk tolerance, so we can understand if SAMCO’s services match your needs and recommend an account type or the services of an Investment Advisor instead of a broker dealer. There are no account minimums imposed by the firm. Additional information about our brokerage services is available online at [www.samcocapital.com](http://www.samcocapital.com).

### **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 those qualifications mean?

### **What fees will I pay?**

You are charged additional fees imposed by our clearing firm, such as custodian fees, account maintenance fees, and account inactivity fees (a clearing firm executes orders for brokerage firms on stock exchanges and custodies the securities and cash in those accounts). Some Investment Companies charge ongoing fees known as 12B-1 fees. The more transactions in your account may result in more fees we charge you. We may therefore have an incentive to encourage you to engage in transactions. You could also pay charges for certain investments and maintaining your account. Retirement accounts typically have an annual fee to maintain the account.

### **Additional Information**

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 will 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 acting as my broker? How does your firm make money and what conflicts of interest do you have?**

We do not provide recommendations. 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 services we provide you. Here are some examples to help you understand what this means:

- Fixed income underwriting – SAMCO participates in fixed income underwritings. We may offer these products to our clients. SAMCO will receive fees on these products.
- Principal Trading – We may buy or sell securities to you from our own account. Because we earn compensation and can receive other benefits in principal transactions, we have an incentive to trade with you on a principal basis and to recommend securities that we hold in inventory.

### **Conversation Starter**

- How might your conflicts of interest affect me, and how will you address them?

### **How do your financial professionals make money?**

The investment professionals are paid a portion of the commission or markup/markdown charged to you on a transaction. This commission is generally based on a percentage of total dollar amount of the transaction. Markup/markdown (or price spread) is the difference between the selling price of a security and the cost. It is often expressed as a percentage over the cost. SAMCO has an incentive to sell a bond to you at the current market price plus a markup, or to buy a bond from you at the current market price less a markdown. Although some investment professionals' compensation is salary based, most investment professionals' compensation is commission based. SAMCO's investment professionals may therefore have an incentive to encourage you to trade often. For certain mutual fund families an investment professional may receive marketing or distribution fees (generally referred to as 12b-1 fees). SAMCO does not provide any other cash or non-cash compensation to our investment professionals.

SAMCO may receive an interest rebate on free cash balances in accounts held at our clearing firm. This interest rebate may create an incentive for us to leave large cash balances uninvested. SAMCO may receive a rebate on margin-interest balances held at our clearing firm. This margin-interest rebate may create an incentive for us to recommend that you open a margin account.

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

SAMCO does not have reportable disciplinary history; certain financial professionals do have reportable disciplinary history. Visit <https://www.investor.gov> or <https://brokercheck.finra.org/> for a free and simple search tool to research our firm and our financial professionals.

### **Conversation Starter**

- As a financial professional, do you have any disciplinary history? For what type of conduct?

### **Additional Information**

Additional information about SAMCO is available online at [www.samcocapital.com](http://www.samcocapital.com).

You can find additional information about SAMCO's brokerage services on the FINRA Broker Check website at <https://brokercheck.finra.org> and by searching CRD #136532. You may also contact our firm at (512) 794-9100 and talk to any one of our investment professionals or support staff.

### **Conversation Starter**

- 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?

Please also visit these resources for additional information: SEC at <https://sec.gov>; SEC Regulation Best Interest at <https://sec.gov/regulation-best-interest>; FINRA at <https://finra.org>.