

MARTIN NELSON & CO., INC.
CUSTOMER RELATIONSHIP SUMMARY 2022

INTRODUCTION

Martin Nelson & Co., Inc. (MNCO), is a full service broker-dealer registered with the United States Securities and Exchange Commission (SEC) pursuant to the Securities Exchange Act of 1934, a member of the Financial Industry Regulatory Authority, and a member of the Securities Investor Protection Corporation. MNCO is also an investment advisor registered with the United States Securities and Exchange Commission pursuant to the Investment Advisors Act of 1940. All of our accounts are held at our third-party custodians, Hilltop Securities (“HT”) and Charles Schwab (“CHAS”). MNCO does not impose a minimum account size. Each account is evaluated individually.

MNCO provides retail investors like you services in two capacities, one when MNCO provides services only as a broker dealer that provides *brokerage services* and another when it provides *investment advisory services*. Brokerage services and investment advisory services are different from each other and the fees you pay are different. It is important for you to understand these differences. *Please note that not all of our financial professionals are licensed to provide both brokerage services and advisory services. Some are only licensed to provide brokerage services. If you would like to utilize MNCO's advisory services, MNCO can make the appropriate arrangements to facilitate that.*

Note that free and simple tools are available to research firms like MNCO and financial professionals including those associated with MNCO at <https://www.investor.gov/CRS>, which also provides educational materials about broker-dealers, investment advisors, and investing.

WHAT INVESTMENT SERVICES AND ADVICE CAN MNCO PROVIDE ME?

MNCO and its financial professionals can provide you brokerage services and, if your financial professional has the appropriate license, advisory services. If you choose to hire MNCO and your financial professional to provide these services, MNCO will establish for you one or more accounts.

Brokerage Services: If you hire MNCO to provide only brokerage services, MNCO provides the following:

- MNCO provides brokerage, execution, clearing, and custody services;
- Upon request, your financial professional will recommend that you buy, sell or hold securities; and
- Upon request, your financial professional will monitor the securities held in your account on a periodic basis (for example, quarterly).

In providing brokerage services, neither your financial professional nor MNCO will provide investment advice in a fiduciary capacity for special compensation like MNCO provides in conjunction with its investment advisory services. Rather, any investment advice MNCO provides in conjunction with brokerage services will be incidental to MNCO's primary business as a broker-dealer, which is selling, buying and exchanging securities.

It is your responsibility to decide whether or not to follow any recommendation by your financial professional. Neither MNCO nor your financial professional exercises discretion over the assets in your account. MNCO buys, sells and exchanges many kinds of securities, but your financial professional may recommend only those securities he or she is licensed to recommend.

Investment Advisory Services: If you hire MNCO to provide investment advisory services, MNCO provides the following:

- MNCO provides brokerage, execution, clearing, and custody services for your advisory accounts;
- Your financial professional will either (i) provide you investment advice with regard to how to invest the assets in your account or (ii) invest on a discretionary basis the assets held in your account; and
- Your financial professional will monitor the securities held in your account at least one time per year.

MNCO and your financial professional act as fiduciaries when they provide investment advisory services and receive special compensation as later described in this summary. You will have the option to engage us to provide "Fee for Advice" services such as financial planning.

Whether MNCO provides you investment advice or exercises investment discretion will depend on which Fee for Advice service you select. If MNCO provides investment advice, you will be responsible for making the final decision on how your account should be invested. If MNCO invests the assets in your account on a discretionary basis, your financial professional will make investments on your behalf. You may choose to change the type of Program you are in based on the terms of the Program.

Additional Information: Your account may be invested in a variety of securities including stocks, bonds, mutual funds, exchange-traded funds and other publicly-traded securities. You are not able to invest in every fund available in the marketplace. However, MNCO makes available several hundred mutual funds and exchange traded funds under the Programs in which you may invest.

More specific information about the services we provide and the fees you pay in connection with the brokerage and advisory services can be found in **MNCO's Investment Advisor Form ADV II** and **HT's Customer Information Brochure** which you can access on our website: www.martinsonco.com.

QUESTIONS YOU MAY WANT TO ASK OUR FIRM'S FINANCIAL PROFESSIONAL:

- Given my financial situation, should I choose an investment advisory service? Should I choose a brokerage service? Should I choose both types of services? 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 FEES WILL I PAY?

The fees that you will pay depends on whether you choose brokerage services or investment advisory services as illustrated in the following table. Each of these fees is more fully described below.

Types of Fees	Brokerage Services	Advisory Services
Commissions/Mark-ups/Mark-Downs	Yes	No
Mutual Fund Loads and Contingent Deferred Sales Charges	Yes	No
Mutual Fund 12b-1 Fees	Yes	No
Mutual Fund Shareholder Fees & Sub-transfer Agent Fees	Yes	Yes
Fee for Advice	No	Yes

Commissions/Mark-Ups/Mark-Downs: A commission is dollar amount MNCO receives each time it buys or sells a security other than a mutual fund when MNCO acts as your agent. These fees are paid from your account. A mark-up is the difference between what MNCO charges you for the security and the value of the security when MNCO sells you a security in a principal transaction. A mark-down is the difference between the price MNCO pays you for the security and the value of the security when MNCO purchases the security from you in a principal transaction.

Loads and Contingent Deferred Sales Charges: A dollar amount MNCO receives each time it purchases or redeems a mutual fund share. These fees reduce the amount of shares you receive when you purchase a fund's shares and reduce the number of shares you receive when you redeem the fund's shares.

Other Mutual Fund Fees: The "12b-1 fees" are fees paid by the mutual funds to MNCO for selling the funds. The mutual funds also pay MNCO "shareholder servicing fees" and "sub-transfer agent fees" for the provision of other services. All of these fees are based upon a percentage of the MNCO client assets invested in the mutual funds. These fees are not paid from your account, but rather are paid from the mutual fund. The result of such fees is that the value of fund shares held in your account decreases.

Fee for Advice: A fee that you pay for advisory services outside of the Programs. The fee may be an hourly rate, a flat dollar amount paid one time or periodically (for example, quarterly), or a percentage multiplied by the assets under advisement paid one time or periodically (for example, quarterly).

Other Fees: MNCO or HT will charge fees for a number of services it provides that are apart from the brokerage and advisory services we describe above. For example, we charge fees for maintenance of certain accounts, like individual retirement accounts, and to process certain kinds of transactions, like account withdrawals and transfers.

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. You can find additional information about fees in **MNCO's Managed Accounts Client Disclosure Brochure**, and **HT's Client Information Brochure** which you can access on our website: www.martinnelsonco.com.

A QUESTION YOU MAY WANT TO ASK MNCO'S FINANCIAL PROFESSIONAL:

- 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?

WHAT ARE MNCO' 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 provide you with a recommendation as your broker dealer or act as your investment advisor, we have to act in your best interest and not put our interest 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 and investment advice we provide you.

The following are some examples to help you understand what MNCO means.

Brokerage Services	Advisory Services
MNCO has an incentive to buy and sell securities more frequently in order to increase its compensation.	MNCO has an incentive to trade less frequently in order to maximize the profitability of its fee.
MNCO has an incentive to recommend that you select brokerage services over advisory services if MNCO believes commissions will generate more compensation.	MNCO has an incentive to recommend that you select advisory services over brokerage services if MNCO believes the fee will generate more compensation.

The following are some specific conflicts to consider:

- **Principal Transactions:** MNCO may recommend that you purchase securities MNCO owns and MNCO may recommend that it buy securities that you own. Such transactions are called "principal transactions." MNCO has an incentive to sell securities to you at a higher price than it could get from a person who is not a MNCO customer. MNCO also has an incentive to purchase securities from you at a price lower than it could get from a person who is not a MNCO customer.
- **Proprietary Products:** MNCO does not recommend that you buy a security or product of MNCO or its affiliate.
- **Third Party Parents:** MNCO only makes available to retail investors mutual funds that pay shareholder servicing fees and sub-transfer agent fees. MNCO has an incentive to limit the mutual funds MNCO may recommend or in which we may invest to those mutual funds willing to make such payments.
- **Revenue Sharing:** MNCO does not enter into agreements with investment managers or sponsor of investments that pay us a portion of their revenue.

A QUESTION YOU MAY WANT TO ASK MNCO'S FINANCIAL PROFESSIONAL:

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

Additional Information: You will find additional information regarding conflicts in **MNCO's Investment Advisor Form ADV II** and **HT's Customer Information Brochure** which you can access on our website: www.martinnelsonco.com.

HOW DO YOUR FINANCIAL PROFESSIONALS MAKE MONEY?

Your financial professional receives a percentage of the fee revenue he or she generates for MNCO. Fee revenue includes commissions, loads, contingent deferred sale charges and 12b-1 fees when your financial professional provides brokerage services and fees when he or she provides advisory services. Therefore, your financial professional has an incentive to encourage you to buy and sell securities more frequently or to participate in one or more Programs. He or she may charge more fees for certain securities, strategies, products or services due to the time and complexity involved in recommending or providing such securities, strategies, products or services. The charging of different fees in this manner is called "differential compensation."

Your financial professional also has an incentive to encourage you to move your account from another firm to MNCO or from your retirement plan to MNCO in order to increase his or her own compensation. As we discussed above, a financial professional's recommendations, investment advice, or discretionary investment decisions will also benefit MNCO.

DO YOU OR YOUR FINANCIAL PROFESSIONALS HAVE LEGAL OR DISCIPLINARY HISTORY?

Yes. Some of our financial professionals have disciplinary History. You should go to <https://www.investor.gov/CRS> for a free and simple search tool to research MNCO and your financial professionals.

A QUESTION YOU MAY WANT TO ASK MNCO'S FINANCIAL PROFESSIONAL:

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

ADDITIONAL INFORMATION

You can find additional information about the services we provide, fees you pay, and conflicts of interest in **MNCO's Investment Advisor Form ADV II** and **HT's Customer Information Brochure** which you can access on our website: www.martinnelsonco.com. Your financial professional will provide you a copy. Other fees are described in our Customer Information Brochure. Your financial professional will provide you a copy or you can go to <https://www.hilltopsecurities.com/disclosures/customer-information-brochure/> to request up-to-date information and request a copy of MNCO's relationship summary.

A QUESTION YOU MAY WANT TO ASK MNCO'S FINANCIAL PROFESSIONAL:

- Who is my primary contact person? Is he or she a representative of an investment advisor or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?