

# Insight Securities, Inc.

## Customer Relationship Summary (Form CRS)

April 22, 2021

### Introduction

Insight Securities, Inc. is registered with the Securities and Exchange Commission (SEC) as a broker-dealer and investment adviser, and is a member firm of the Financial Industry Regulatory Authority (FINRA) and the Securities Investor Protection Corporation (SIPC).

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. We are a broker-dealer and investment adviser and provide both brokerage accounts and services and investment advisory services. This document gives you a summary of the types of services we provide and how you pay. Please ask us for more information.

Brokerage and investment advisory services and fees differ, and it is important for the retail investor to understand the differences. Free and simple tools are available for you to research firms and financial professionals at [www.investor.gov/CRS](http://www.investor.gov/CRS), a website maintained by the SEC. These tools can also provide you with educational materials about broker-dealers, investment advisers, and investing.

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

#### **Brokerage Services**

We offer brokerage services to retail investors, including buying and selling securities. Our services include discussing your investment goals, assistance with developing or executing an investment strategy, on-going communications, making investment recommendations consistent with your investment strategy and facilitating the execution and settlement of your securities transactions. We provide brokerage services on a non-discretionary basis, and to that end, 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. Notwithstanding that, we may accept limited discretionary authority, as to price and time, in certain circumstances. Additionally, we can offer you additional services to assist you with your investment goals, including the monitoring of the performance of your account upon special request.

#### **Investment Advisory Services**

We offer investment advisory services and advice on a regular basis to retail investors. Our services include discussing your investment goals, designing with you a strategy to achieve your investment goals, and the on-going monitoring of your account. We generally contact you periodically regarding your investment portfolio. Other advisory services we provide include financial planning services, investment consulting, and the selection of advisers and a wrap fee program.

Additionally, we provide discretionary and non-discretionary advisory services. Our discretionary authority is generally granted, at the outset of our advisory relationship in our client agreement, to select the identity and amount of securities to be bought or sold during your advisory relationship with us. We exercise such discretion in a manner consistent with your stated investment objectives, and by limitations and restrictions imposed upon us by you. With respect to our non-discretionary services, you should be aware that you make the ultimate decision regarding your investment holdings, including the purchase and or sale of those investments.

## **Brokerage and Advisory Services**

Our investment advice generally covers equities, debt, options, futures, offshore alternative investments, and mutual funds. Other firms could provide advice on a wider range of choices, some of which might have lower cost. We do not have any minimum requirements for retail investors to open or maintain an account or establish an advisory relationship with us.

## **Additional Information**

For additional information, please see our Regulation Best Interest Disclosure, your account agreement or other applicable documents, our Form ADV, Part 2A brochure, Items 4 and 7, or Items 4.A. and 5 of Part 2A Appendix 1, or on our website at [www.insightamericas.net](http://www.insightamericas.net). Additionally, you can contact us about our services at (224) 632-4700 and we will be happy to discuss with you.

## ***Conversation Starter: - Ask your financial professional -***

- ***Given my financial situation, should I choose a brokerage or an advisory 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 fees will I pay?**

### **Principal Brokerage Fees and Costs**

If you open a brokerage account, you will pay us a transaction-based fee, generally referred to as a commission, every time you buy or sell an investment. While our brokerage fees vary and are negotiable, the amount you pay will depend, for example, on how much you buy or sell, what type of investment you buy or sell, and what kind of account you have with us. 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 “mark-up” or “mark down”). With mutual funds, this fee (typically called a “load”) reduces the value of your investment.

*Ultimately, the more transactions in your account, the more fees we charge you. We therefore have an incentive to encourage you to engage in transactions.*

### **Principal Investment Adviser Fees and Costs**

Retail investors will incur the fees described below for investment advisory services, which are negotiated between you the client, and your financial advisor. The principal fees for investment advisory services are as follows:

- Asset-based fees, which are an on-going fee, and based upon a percentage of the assets managed by us.
- Hourly charges for financial planning and general investment consulting services.
- Wrap Fees for our wrap program are also on-going and asset based. Wrap fees include most transaction costs and fees to a broker-dealer or bank that has custody of your portfolio assets, but you may be charged other account costs such as wire transfer and electronic fund fees, and other fees and taxes on custodial brokerage accounts and securities transactions. Since the transaction costs are included in the advisory fee, the advisory fees are generally higher than a typical asset-based advisory fee.

Our advisory 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. Additionally, the amount paid to us and your financial professional 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.

*The more assets you have in the advisory account, including cash, the more you will pay us. 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 your investment assets*

### **Other Fees and Costs**

We also charge you additional fees, such as custodial fees, account maintenance charges, account inactivity fees, deferred sales charges, wire transfer and electronic fund fees, and other fees and taxes on custodial brokerage accounts and securities transactions. Some investments (such as mutual funds and variable annuities) impose additional fees that will reduce the value of your investment over time. Also, with certain investments such as variable annuities, you may have to pay fees such as “surrender charges” to sell the investment.

### **Additional Information**

**You will pay brokerage or advisory 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.**

For additional information, please see our Regulation Best Interest Disclosures, other applicable documents, our Form ADV, Part 2A brochure and Part 2A Appendix 1 or by contacting your representative or James Gaafar by phone at (224) 632-4700 to request additional information pertaining to our services.

***Conversation Starter: Ask your financial professional and start a conversation about the impact of fees and costs on investments -***

- ***Help me understand how these fees and costs 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 providing recommendations as my broker-dealer or when acting as my investment adviser? How else does the 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 adviser, 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. Here are some examples to help you understand what this means:***

- **Revenue Sharing:** Certain managers and sponsors (or their affiliates) share revenue they earn with us when you invest in certain of their investment products (primarily mutual funds and variable annuities). As such, we have an incentive to recommend (or to invest your assets in) products of sponsors and managers that share their revenue with us, over other products of sponsors or managers that do not share their revenue, or who share less.
- **Third-Party Payments:** We receive payments from third party product sponsors and managers (or their affiliates) when we recommend or sell certain products. As such, we have an incentive to recommend (or to invest your assets in) products of third parties that pay us over products of third parties that do not pay us or pay us less.
- **Principal Trading:** We may buy or sell securities to you for our own account (called “*acting as a principal*”). Because we earn compensation (such as commission equivalents, mark-ups, mark-downs, and spreads) and can receive other benefits in these principal transactions, we have an incentive to encourage you to trade with us on a principal basis.

### **Additional Information**

For additional information, please see our Regulation Best Interest Disclosures, other applicable documents, our Form ADV, Part 2A brochure and or our Form ADV Part 2A Appendix 1.

**Conversation Starter: Ask your financial professional -**

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

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

Your financial professional earns compensation based upon a portion of the sales commissions resulting from the buying and selling securities for your brokerage account and or the revenue we earn for providing you with advisory services or recommendations. They may also receive compensation from the sale of insurance products through either us, an affiliated firm insurance company and or a non-affiliated insurance agency. As a result, your financial professional may have a financial incentive to buy and sell securities in your brokerage account, not to reduce fees in your advisory account, if applicable, and or to sell you insurance products . Additionally, your financial professionals are compensated based on factors such as the amount of client assets they service, the time and complexity required to meet a client's needs, commissions from portfolio transactions recommended by your financial professional, the sale of insurance products, product sales commissions, and ongoing trailer compensation.

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

**Yes.** Please see [www.Investor.gov/CRS](http://www.Investor.gov/CRS) or <https://brokercheck.finra.org> for a free and simple tool to research the background and experience of us and our financial professionals.

**Conversation Starter: Ask your financial professional:**

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

### **Where can I find additional information**

For additional information regarding our services, please see our Regulation Best Interest Disclosures, Form ADV Part 2A and other applicable documents, or if you would like additional, up-to-date information or a copy of this disclosure, please contact James Gaafar by phone at (224) 632-4700, or by email at [jgaafar@insightamericas.net](mailto:jgaafar@insightamericas.net).

**Conversation Starter: Ask your financial professional -**

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