

Western International Securities Inc. (referred to as “we,” “us,” or “WIS”) is registered with the U.S. Securities and Exchange Commission as a broker-dealer and an investment adviser. Additionally, we are a member of the Financial Industry Regulatory Authority (“FINRA”) and the Securities Investor Protection Corporation (“SIPC”). We have a network of financial professionals who offer brokerage and investment advisory services. These services and their fees differ, and it is important for you to understand the differences.

This relationship summary explains the various services we offer, how we charge for those services, and conflicts of interest that exist when we provide our services. To help you research firms and financial professionals, free and simple tools are available at [Investor.gov/CRS](http://Investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing. You should carefully consider which types of accounts and services are right for you.

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

Our financial professionals offer brokerage services, investment advisory services, or both, depending on their licenses. Each financial professional generally provides access to a range of investment products such as stocks, bonds, exchange traded funds (ETFs), mutual funds, annuities, and alternative investments. Please note that the range of investment options available to you may be limited depending on the licenses your financial professional holds. Your account program may also have specific requirements, such as account or investment minimums. Ask your financial professional if any investment limitations

or account requirements apply. If your financial professional offers you both brokerage and advisory services, your financial professional will inform you when he or she offers an investment recommendation or advice, and whether the recommendation or advice is part of a brokerage or advisory service. There are important differences between brokerage and investment advisory accounts, including their costs to you and the nature and extent of the services provided. Some of the key differences between brokerage and investment advisory services are described below.

### **Brokerage Services**

- If you plan to follow a buy-and-hold strategy without ongoing advice from a financial professional and you prefer to pay for each transaction, a brokerage account may be the right choice for you. We offer full-service brokerage accounts with a wide variety of investments such as stocks, bonds, mutual funds, options, unit investment trusts, alternative investments and exchange traded funds. We do not offer proprietary products.
- We offer brokerage services to individuals, trusts, entities, businesses, retirement plans and others
- In most cases, we provide recommendations to you to buy, sell, or hold specific investments, but you must provide approval for each trade. Unless you have provided us with specific written authorization, you, not your financial professional, make the final investment decisions for your account.
- We don't monitor brokerage account investments for you, unless we say we will in writing.
- We do not have a minimum account size to maintain a brokerage account.
- We do not offer or recommend any proprietary products or types of investments.

### **Investment Advisory Services**

- If you want a financial professional to provide ongoing investment advice, an advisory relationship may be the right choice.
- We manage investment advisory accounts and provide investment advice through consultations and individual meetings. These services are described in detail on our Disclosure Brochure, found at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).
- You will typically grant us or a third-party investment advisory firm discretion to buy and sell investments in your account without asking you in advance. You may limit such discretion by imposing reasonable restrictions on investing in certain securities or groups of securities.
- We will typically monitor accounts and investment models or strategies within accounts on an ongoing basis to align with your investment goals. However, in limited scope consulting or financial planning relationships, we won't provide ongoing monitoring unless we say we will in writing.
- We require a minimum investment amount of \$25,000. The services of third-party advisors we offer also typically require a minimum investment.

**More detailed information** about our brokerage services can be found at <https://www.wisdirect.com/disclosures>. Detailed information about our advisory services can be found in our Firm Brochure (Form ADV Part 2A). Please visit our website for hyperlinks to these documents or contact us directly.

**Questions to ask your financial professional:**

- Given my financial situation, should I choose a

brokerage service, an investment advisory service, or a combination of both? Why or why not?

- How will you choose investments to recommend to me?
- What is your relevant experience, including licenses, education and other qualifications? What do these qualifications mean? Based on your licensing, are you limited to specific types of investments?

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## What fees will I pay?

There are important differences between brokerage services and advisory services, including their costs to you. Below we describe the fees you could be charged depending on your investment choices.

### **Fees Associated with Brokerage Services**

- For brokerage services, we charge a transaction-based fee (sometimes referred to as a commission) every time you buy or sell an investment. The amount you pay as transaction-based fee varies according to the particular investment and amount invested. The more trades you make, the more transaction-based fees we earn. This creates an incentive for us to encourage you to trade often.
- For investments in stocks and ETFs the transaction-based fee is usually charged as a separate commission that is added to the principal amount of the transaction.
- For investments in bonds, this fee (called a markup or markdown) is typically included as part of the price you pay or receive for the investment.
- For investments in products like mutual funds, annuities, and alternative investments, we receive transaction-based fees from the investment product sponsor in the form of asset-based sales charges (e.g., sales loads). These fees are based on the amount invested in a product and, depending on the product, may be based on how long you hold the investment. Our receipt of asset-based sales loads creates an incentive to recommend products or sponsors that include such charges.

### **Investment Advisory Services**

- For investment advisory services, we typically charge an ongoing fee (sometimes referred to as an asset-based fee) which is paid monthly or quarterly in advance or in arrears. This fee is a percentage of the value of your account. You pay this fee even if you don't buy or sell investments. The more assets you have in an asset-based fee account, the more you'll pay us in fees. This creates an incentive to encourage you to increase the size of your account, including by transferring or rolling over assets from other accounts. For some types of accounts, there is a per-transaction charge in addition to an asset-based fee. We may also charge an hourly fee or fixed fee for additional services such as financial planning and consulting services that are of limited duration or nature.
- The fee you pay your financial professional is generally negotiated with him or her directly, and subject to different maximums, depending on the advisory program selected. The fee you pay will be disclosed to you in a written advisory agreement.
- Additional information about fees we charge for investment advisory services is provided in our Firm Brochure and available to you through a hyperlink provided at <https://www.wisdirect.com/disclosures>.
- We may also charge a fixed retainer fee, or an hourly fee for consulting services or in lieu of an asset-based fee.

### **Other Fees and Costs**

If applicable to your account, you will be charged directly for other fees in addition to brokerage commissions and advisory fees, including the following: (1) account maintenance fees such as custody, trade confirmation processing, and transfer fees that are standard and customary; (2) cash management fees such as checking, electronic fund, and wire transfer charges; and (3) investment specific fees such as those for administration of alternative investments or for foreign securities. See the Fee Schedules for our brokerage and advisory programs at for more information. You should understand that these fees are not charged by us but by our brokerage account custodians or product sponsors, depending on where your account is custodied. We mark-up and receive a portion of many of the fees charged by our brokerage custodian

which results in increased costs to you. You may also incur fees charged by the particular investment product in which you are invested, including mutual funds, ETFs, and other pooled funds, in addition to brokerage commissions and advisory fees charged by us. Some of these fees may be shared, as described below in Third-Party Payments. Certain investment products have significant fees triggered by particular events, e.g., annuities may include mortality, expense, and administrative fees, and fees for excessive transfers or early withdrawals. 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.

Detailed information on our advisory fees can be found in our Firm Brochure. Detailed information about our brokerage fees can be found at <https://www.wisdirect.com/disclosures>. Depending on the investment product in which you invest, fees and costs are included in the product's prospectus or other offering document.

### Questions to ask your 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?

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## What are your legal obligations to me when providing recommendations as my broker-dealer or when acting as my investment adviser? 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 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 that we provide to you. Below are some examples to help you understand what this means.

If you have any questions about whether any of these situations could apply to your investments, ask your financial professional.

All financial services companies have conflicts of interest. Specifically, there are conflicts of interest associated with the compensation that we and our financial professionals receive. Accordingly, we have adopted conflict mitigation practices that are tailored to the nature and scope of our conflicts of interest.

### Third-Party Payments

We receive compensation from third parties related to investments you make in certain products, including mutual funds, ETFs, annuities, alternative investments, and other investments. This compensation includes ongoing distribution charges (e.g., 12b-1 fees or trail payments), which an investment product charges you and then pays to us. We also receive various benefits from our relationship with our clearing and custodial firms, Pershing LLC, Wedbush Securities Inc. and Fidelity Clearing and Custody Solutions, a Fidelity Investments® company. Some examples include revenues from uninvested cash balances you authorize us to move into money market funds and FDIC insured bank deposit products, a growth assistance credit to help us grow our business from the clearing agents, and a portion of certain brokerage account services and custodial fees that exceed the amount we are charged for these services. This creates an incentive for WIS if you open a brokerage account and maintain a cash balance with us.

In certain situations, Western permits clients to establish a margin account pursuant to an agreement entered with the custodian. Margin allows a client to borrow money to buy additional investments by using existing investments as security collateral. Margin also allows a customer to withdraw funds from an account and pledge securities owned in the account as collateral. In these situations, Western receives compensation from the custodian in the form of margin rebates that typically amounts to a percentage of the total margin interest charged to clients by the custodian. Clients should carefully read the margin disclosure statement provided by the custodian outlining risks related to margin prior to considering this type of arrangement. Because we receive payments like these from these third parties, we have an incentive to recommend or invest your assets in those investment products. Detailed information regarding third-party payments can be found at <https://www.wisdirect.com/disclosures>.

### Principal Trading

In brokerage accounts, we sometimes directly buy from you or sell to you investments including bonds or certain shares of mutual funds, unit investment trusts (UITs), or alternative investments. These are called principal trades. If the principal trade involves a bond, we receive a markup or markdown by either buying the bond from you at a lower price than we will sell it for or by selling the bond to you at a higher price than we bought it for. That creates an incentive for us to either buy the bond from you at the lowest price possible or sell the bond to you at the highest price possible and maximize our profit on the principal trade. We do not maintain a bond inventory. Detailed information on our conflicts of interest can be found in our Brokerage Compensation Information and Related Conflicts of Interest. Please visit <https://www.wisdirect.com/disclosures> for hyperlinks to documents

### Questions to 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?

Our financial professionals are independent contractors. The agreement between each financial professional and WIS sets out the payments we make to them. Those who provide you with brokerage services generally receive a portion of the commission or markups/ markdowns from your trades. When providing advisory services, our financial professionals receive a portion of the advisory fee that you pay. Receiving a portion of the advisory or brokerage fees you pay to us creates an incentive for a financial professional to encourage you to increase your investment account size, trade more frequently, or recommend products that pay higher commissions. We also compensate financial professionals based on production, including payments based on the amount of client assets they service and the products they sell. In addition, our financial professionals receive different amounts of compensation for selling different types of investments or services. This could include, for example, a share of the 12b-1 fees, trail payments, or sales loads paid to us by an investment product. Although your financial professional must recommend investment products or manage your account in your best interest, these additional forms of compensation create an incentive for them to recommend specific financial products.

Our financial professionals may receive compensation in other ways, including:

- Transition assistance if your financial professional moved to us from another company. This assistance can include repayable or forgivable loans and/or

waiving, subsidizing, or reducing other costs associated with transitioning the financial professional's business. This assistance creates an incentive to migrate and maintain business with us, and to sell or recommend the sale of investments held in an account if we do not offer those investments.

- Waived or reduced costs for marketing, technology, practice management programs, or subscriptions.
- An annual awards program based on total sales with the firm overall, accumulating assets, or for non-registered insurance sales.
- Non-cash benefits from product sponsors and third-party money managers including items such as gifts valued at less than \$100 annually, an occasional dinner or ticket to a sporting event, support in connection with educational meetings, seminars or client appreciation events, and reimbursement for marketing or advertising initiatives, including services for identifying prospective clients.

Your financial professional is legally required to act in your best interest and not put his or her interests ahead of your own. We have systems in place to mitigate the conflicts of interest that arise from the way our financial professionals are paid, including systems to review whether a recommendation is in your best interest. More information on compensation can be found at <https://www.wisdirect.com/disclosures> (see Brokerage Compensation Information and Related Conflicts of Interest).

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

Yes, we and some of our financial professionals have legal and disciplinary disclosures. Visit [investor.gov/CRS](http://investor.gov/CRS) for a free and simple search tool to research our firm and our financial professionals

### Questions to ask your financial professional:

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

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## Additional Information

For additional information about our brokerage and advisory services, please see our website [www.wisdirect.com](http://www.wisdirect.com). If you would like additional, up-to-date information, a copy of this relationship summary, or if you have a problem with your financial professional, please call us at (888) 793.7717..

### Questions to ask your financial professional:

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