



Hightower Securities, LLC
Form CRS- Client Relationship Summary
March 2021

Item 1. Introduction

Hightower Securities, LLC (“HTS”) is a broker-dealer registered with the Financial Industry Regulatory Authority (“FINRA”) and the U.S. Securities and Exchange Commission (“SEC”). HTS is also a licensed general insurance broker and a member of the Securities Investor Protection Corporation (“SIPC”). It is important for you to understand how brokerage services and investment advisory services differ in order to determine which type of account is right for you. [See Understanding Advisor and Brokerage Relationships](#)

Is a Brokerage Account Right for You?

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. HTS is a broker-dealer and provides brokerage accounts/services rather than advisory accounts/services. This document gives a summary of the types of services we provide and how you pay. Please do not hesitate to ask us for more information. In addition to any information we provide, there are free and simple tools available to research firms and registered representatives at Investor.gov/CRS, which also provides educational materials about broker-dealers and investing.

Item 2. Types of Relationships and Services

What investment services and advice can you provide me?

HTS provides limited brokerage services to retail customers. We do not offer investment advisor accounts, discretionary accounts, or account monitoring services. We do not engage in investment banking activities, sell proprietary products, or conduct proprietary trading and market making. Other firms could offer a wider range of choices, some of which might have lower costs. There is no minimum account balance to establish a brokerage account with us.

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. We can recommend and effect securities transactions for you, including buying and selling securities that can be either held in accounts with by National Financial Services LLC (“NFS”) or Pershing LLC (“Pershing”), our clearing firms (brokerage accounts), or held in accounts directly with the issuer of the securities purchased (“directly held accounts”). You may select investments, or we may recommend investments for your account, but the ultimate decisions for your investment strategy and the purchase or sale of investments will be yours. We can offer additional services to assist you in developing and executing your investment strategy, but you might pay more for those services. We will deliver account statements to you at least quarterly in paper or electronic format.

Affiliated Services: Hightower Advisors LLC (“HTA”) is an affiliate of HTS and offers clients advisory services. Madison Avenue Financial Solutions (“MAFS”) is an investment advisory affiliate of HTS. MAFS serves as investment adviser to a money market mutual fund.

Conversation Starters: *Given my financial situation, should I choose brokerage services? Why or why not?*

- How will you choose investments to recommend to me?
- What is your relevant experience (license, education and other qualifications)? What do these qualifications mean?

Item 3. Fees, Costs, Conflicts and Standard of Conduct:

What fees will I pay?

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. Here are some fees you may pay:

- Transaction-based fees. You generally will pay us a fee every time you buy or sell an investment. This fee, commonly referred to as a commission, is based on the specific transaction and not the value of your account.
 - 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.
- 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.
- Some of our 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.
- We charge you additional fees, such as custodial, account maintenance and account inactivity fees in connection with you maintaining your account with us.

Compare with Typical Advisory Accounts

You could also open an advisory account with an investment adviser, where you will pay an ongoing asset-based fee that is based on the value of the cash/investments in your advisory account. Features of a typical advisory account include:

- Advisers provide advice on a regular basis. They discuss your investment goals, design with you a strategy to achieve your investment goals, and regularly monitor your account.
- You can choose an account that allows the adviser to buy and sell investments in your account without asking you in advance (“discretionary account”) or the adviser may give you advice and you decide what investments to buy and sell (“non-discretionary account”).
- Advisers are held to a fiduciary standard that covers the entire investment advisory relationship. For example, advisers are required to monitor your portfolio, investment strategy and investments on an ongoing basis.
- If you were to pay an asset-based fee in an advisory account, you would pay the fee periodically even if you do not buy or sell and investments in the account.
- For an investment adviser that charges an asset-based fee, the more assets you have in an advisory account, including cash, the more you will pay the adviser. So, the adviser has an incentive to increase the assets in your account in order to increase its fees.

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?

We must act in your best interest and not place our interests ahead of yours when we recommend an investment or an investment strategy involving securities. At the same time, the way we make money creates some conflict 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:

- The more transactions made in your account, the more fees we charge you. We therefore have an incentive to encourage you to engage in transactions.
- We offer various share classes of mutual funds and 529 plans. Some mutual fund and 529 share classes pay ongoing trail payments and a contingent deferred sales charge to the financial advisor if there is a redemption within a certain period after purchase. Depending on the length of the holding period for the mutual fund or 529, and other factors, one share class may be less expensive to the investor than another, and HTS may earn more in compensation for one share class than another.
- We can buy investments from you, and sell investments to you, from our own accounts (“riskless principal transactions”). We can earn a profit on these trades, so we have an incentive to encourage you to trade with us.

For additional information, please see HTS’s Regulation Best Interest Disclosure.

How do your financial professionals make money?

Our financial professionals (“FP”) receive a percentage of commissions, markups/markdowns earned in brokerage accounts, which vary by product; ongoing fees from mutual fund and certain other product issuers; and fees related to other products and services provided to you. The fees that your FP receives will generally increase as revenue earned from their client accounts increases. Therefore, FPs are incentivized to increase revenues on clients’ accounts.

Conversation Starter: We included the following additional question for you to ask your investment advisers:

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

Item 4. Disciplinary History

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

- Yes, some of our FPs have legal and disciplinary history. Visit <https://brokercheck.finra.org/> for a free tool to research our firm and our registered representatives.

Conversation Starter: We included the following additional question for you to ask your Financial Professionals:

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

Item 5. Additional Information.

Where can I find additional information?

We encourage you to seek additional information. You can always ask your registered representative for more information about our brokerage services. In addition, you can obtain a copy of Form CRS by visiting our website www.hightoweradvisors.com. If you have a problem with your investments or , email us at Compliance@hightoweradvisors.com or call 312.962.3800.

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?