



Safrat Securities LLC (“SSL”) is registered with the Securities and Exchange Commission (“SEC”) as a broker-dealer and is a member of the Financial Industry Regulatory Authority (“FINRA”) and the Securities Investor Protection Corporation (“SIPC”). SSL is a wholly owned subsidiary of Safrat National Bank of New York (“SNBNY”), and an affiliate of J. Safrat Asset Management Corp. (“JSAM”), an SEC registered investment advisor. Brokerage, bank, and investment advisory services and fees differ and it is important for you to understand these differences. Neither SSL nor SNBNY provide advisory services, therefore, the fees that you are charged at SSL and SNBNY are different from those fees that you would be charged as a client of JSAM. Free and simple tools are available to help you research firms and financial professionals at www.investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisors, and investing.

Relationship and Services

What investment services and advice can you provide me?

- SSL offers brokerage services to its retail clients. Each retail client of SSL is also a client of SNBNY. SNBNY offers a comprehensive private banking platform, offering traditional banking and custody services, including investments in emerging market sovereign debt, commercial paper, precious metals, foreign exchange operations and access to investment advisory services offered through JSAM. Products that may be offered through SNBNY will be offered through SNBNY; certain products, however, primarily registered securities, may only be offered through SSL. Our registered representatives may recommend that you engage in specific accounts, securities or strategies after discussing and understanding your investment needs and risk tolerance, among other factors
- Our registered representatives do not provide mandatory account monitoring, but may provide voluntary, ad hoc account reviews, integrating your holdings and activity at SSL with those at SNBNY and/or JSAM. Such reviews are at the sole discretion of the registered representative, at periods that are at the sole discretion of the registered representative, and are at no additional cost.
- SSL may require you to maintain certain relationship minimums, usually \$1 million, across all related accounts in order to open an account with SSL. Clients will be offered a DVP/RVP account at SSL with custody held by SNBNY, unless the account engages in domestic mutual funds, listed options, or equities, or is opened as an Individual Retirement Arrangement as that term is defined by the United States Internal Revenue Service; such clients, and only such clients, will need to open a cash/margin account at SSL.

➤ **Questions you may want to ask your registered representative:**

- Given my financial situation, should I choose a brokerage service? Why or why not?
- How will SSL choose investments to recommend to me?
- What is SSL’s and its registered representatives’ relevant experience, including licenses, education and other qualifications? What do these qualifications mean?

Fees, Costs, Conflicts and Standard of Care

What fees will I pay?

- You will generally pay a fee for security transactions in your account. That fee can either be a disclosed commission, a disclosed mark-up/down (where the final price includes the fee) or a sales concession with regards to a new issue security (disclosed in a prospectus or an offering document; also included in the final price paid). As such, the more security transactions you engage in, the more fees you may pay. Registered representatives at SSL are not paid based directly on the commissions, mark-ups/downs or sales concessions charged to you; rather, they receive a negotiated salary and a discretionary bonus which is based on a number of factors, including but not limited to, revenues generated. As such, a registered representative may be incentivized to encourage you to trade more actively.
- You may also be charged custodial fees, account maintenance fees, product fees and other nominal fees (e.g. wire fees); some of these may be charged by a product sponsor; others may be charged through SNBNY.
- 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.



What are SSL’s legal obligations to me when providing recommendations? How else does SSL make money and what conflicts does SSL have?

- When we provide you with a recommendation, 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 we provide you.
- Here is an example to help you understand what this means: Some of the products we may recommend may have higher fees than other similar products in the marketplace and SSL may receive a portion of these fees.

How do SSL’s financial professionals make money?

- Our registered representatives earn a base salary which is negotiated between them and SNBNY from time-to-time. Additionally, they are eligible for a discretionary annual bonus which is derived from overall performance. Overall performance includes organic growth of assets under custody and revenue generated by those assets, either through commissions, markups/downs, sales concessions, custodial fees, etc. As such, account managers may be incentivized to increase the number of assets under their purview, and to maximize SSL revenues derived from these assets.

➤ **Questions that you may want to ask your registered representative:**

- Help me understand how these fees and costs might affect my investments. If I give SSL \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?
- How might SSL’s conflicts of interest affect me, and how will SSL address them?

Disciplinary History

Does SSL or its financial professionals have legal or disciplinary history?

- Yes. Firms and their associated persons may be disciplined for a number of reasons, including violations of technical requirements. Free and simple tools are available to research firms and financial professionals at www.investor.gov/CRS.

➤ **Questions that you may want to ask your registered representative:**

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

Additional Information

For more detailed information regarding the accounts, services and products offered by SSL or to request a copy of our client relationship summary, please visit our website at (www.safrasecurities.com) or ask your registered representative. For up-to-date information or to request a copy of our client relationship summary, please call 212-704-5500. Additionally, if you have any concerns regarding SSL or its registered representative, you can always contact Compliance at SSL.Compliance@safra.com.

➤ **Questions that you may want to ask your registered representative:**

- 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?