

Introduction

You are receiving this disclosure statement because you have either received a recommendation from our broker-dealer division or you have elected to open a retail brokerage account through PTI Securities & Futures, L.P. ("PTI"). We are acting as your broker-dealer to provide brokerage services. You acknowledge that you have received the PTI Client Relationship Summary. Please see the following description of our brokerage services and related conflicts of interest.

Services

We offer brokerage services to retail investors. Through our clearing firms, RBC and Interactive Brokers, we assist you in opening the right type of account for your needs, assist in transmitting signed paperwork to the clearing firm, provide trade execution and clearing, trade settlement monthly reporting of transactions, money balances, and securities holdings. In addition, we assist with money movement activity and related requests (i.e., requesting checks drawn on your account, transmitting wires, establishing ACH privileges). You may obtain information on our firm by accessing [Investor.gov/CRS](https://www.investor.gov/CRS) for a free and simple search tool to research our firm and our financial professionals.

Our services are non-discretionary in nature and do not involve us taking any discretion on the purchase or sale of securities. We offer advice on a full suite of securities including equities, mutual funds, exchange traded funds ("ETFs"), fixed income, and options. Mutual funds and ETFs carry additional embedded costs, which have an adverse impact on your investment rate of return.

Securities Recommendations

We recommend investments based upon your individual suitability requirements such as individual circumstances, liquid net worth, total net worth, annual income, expectation of current and future cash needs, investment objective, and risk tolerance.

Portfolio Monitoring

Although PTI financial advisors may monitor individual security positions for your account, particularly those with higher volatility such as options, we generally do not provide ongoing portfolio monitoring, but we do monitor options positions as they require periodic rolling over to a new expiration month, or the options get assigned and we must take further actions. If you have a diverse portfolio and prefer to have your financial advisor provide continuous monitoring of your portfolio, you should consider establishing an investment adviser relationship with our affiliate, Wells Street Advisors, under a separate investment advisory agreement.

Costs & Related Conflicts

For our brokerage services, you pay a commission each time you effect a securities transaction. Bear in mind that your commission costs increase with the number of securities transactions you effect. Commissions on a per trade basis are typically higher than a fixed transaction-based fee that you would pay as an advisory client. Commission costs cover the firm's cost, compensation to your financial advisor, and a profit to PTI. As a result, there is an economic incentive to effect more trades for a brokerage customer. Please consult your PTI broker for the commission costs, as they vary depending on the price of security and the number of shares effected.

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.

How PTI Makes Money

We must act in your best interest and not put our interests ahead of yours. The way we make money creates some conflicts of interests. Bear in mind that certain types of securities may generate a higher commission cost versus other types of securities, which creates conflicts of interest in that we are incentivized to recommend those securities that provide a greater economic benefit to PTI. In addition to commission costs, there are separate charges for establishing and maintaining IRA accounts. Mutual funds that we recommend typically include embedded distribution fees, commonly called 12b-1 fees. These fees are paid to PTI, which in turn shares a portion of that fee with its financial advisors. If you carry a margin balance, you will be charged margin interest on the outstanding balance. PTI is paid a portion of the margin interest that we collect from you. If you trade on margin, please understand that margin trading allows you to own more securities than you could own if you paid for the securities in whole. In this regard, PTI is incentivized for you to trade on margin. If you keep uninvested cash in your account, you receive interest on the outstanding balance in which we earn a portion of the interest that is credited to your account (interest on free credit

balance). In addition, there are miscellaneous fees such as postage and handling fees, SEC fees, transfer tax fees, and similar fees on each transaction effected for your account. Also, you may be assessed inactivity fees should your account be dormant for some period of time. You should understand and ask us about these conflicts, because they can affect the investment advice we provide.

Additional Disclosure Materials

There are additional disclosure materials available to you that supplement this disclosure statement. When you establish an account with PTI and either of its clearing firms, RBC or Interactive Brokers, the clearing firm will require you to sign new account documentation which includes disclosures regarding the operation of the account and the legal obligations you and RBC or Interactive Brokers have with respect to the opening and maintenance of the account. In addition, there are product-specific disclosures when you purchase certain types of investments, such as new issues, mutual funds, exchange-traded funds, real estate investment trusts, private placements of securities, and variable annuities. These disclosures are provided in a prospectus or offering document and contain important information about the investment, its risks, conflicts of interest, legal structure, and those responsible for managing the investment vehicle. You are encouraged to read this material and consult your broker with any questions you have.

Financial Advisor Compensation

Our financial advisors providing brokerage services are paid a commission based upon the transactions effected in their brokerage customers' accounts. Some of our professionals are paid a salary and bonus. In either compensation arrangement, we are economically incentivized to effect a higher number of transactions in your brokerage account or utilize securities or investment products or strategies that carry higher commission costs or fees.

Disciplinary History

Certain of PTI's professionals have disciplinary disclosures. You can visit [Investor.gov/CRS](https://www.investor.gov/crs) for a free and simple search tool to research our firm and our financial professionals.

Additional Information

Your PTI financial advisor will be your primary point of contact. However, administrative requests may be handled by an administrative assistant or client service professional.

In the event you have issues to be addressed, you may contact Mr. Dan Haugh at 312-663-3056 or by email to dan@PTIsecurities.com.