

Client Relationship Summary

Introduction

Mack Investment Securities, Inc. (referred to as “MIS” or “we,” “our,” “us”) is registered with the U.S. Securities and Exchange Commission (“SEC”) as an Investment Adviser and Broker-Dealer (member FINRA/SIPC). Mack Investment Insurance Brokerage Inc. (dba Mack Investment Securities, Inc.) is a licensed insurance agency. Most, but not all, of our financial professionals (“Professionals”) are dually licensed and registered to offer both brokerage and investment advisory services. Some of these same financial professionals may also be insurance agents for MIS and/or one or more unaffiliated insurance companies. Brokerage and investment advisory services, and the fees associated, differ, and it is important that you understand the differences. Free and simple tools are available to you to research firms and financial professionals at <https://www.investor.gov/CRS>, which also provides educational materials about broker-dealers and investment advisors.

What investment services and advice can you provide me?

Most, but not all, of our Professionals are qualified to offer brokerage services and investment advisory services. Each Professional generally provides access to a range of investment products, such as stocks, bonds, CDs, mutual funds, Unit Investment Trusts, options, municipal securities, exchange-traded funds (ETFs), life insurance, annuities, and direct participation programs. The range of investment options available to you may be limited depending on your investment size, ability to meet account minimum requirements, your personal suitability, and other such qualifications. We encourage you to ask your Professional whether any investment limitations or account requirements apply. Furthermore, you should ask your Professional if the advice they are providing or the recommendations they offer are part of a brokerage service or advisory service. Some of the key differences between brokerage and investment advisory services are described below.

Brokerage Services

- We are an introducing broker-dealer, meaning we have a contract with a clearing firm who handles the execution and settlement of trade orders it receives from us and our clients. The clearing firm also holds your securities for safekeeping (known as having “custody” of your securities).
- In most cases, we provide recommendations to you on specific investments, but you make the final investment decisions for your account. We also provide services for you to make your own decisions on specific investments.
- We do not monitor brokerage account investments for you unless we state otherwise in writing and approved by our officers.

For more detailed information about our brokerage services you can visit our website:

<https://www.macktracks.com/products-services>

QUESTIONS TO ASK YOUR PROFESSIONAL:

- Given my financial situation, should I choose an investment advisory service? Should I choose a brokerage 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?

Investment Advisory Services

- The investment advisory services we offer include asset management, third-party management programs, selection of sub-advisors, pension consulting, publication of periodicals/newsletters, market timing services, financial planning, and consulting.
- We manage accounts on either a discretionary basis or non-discretionary basis, as agreed to by you and your Professional. *Discretionary* means we will implement transactions without seeking your prior consent and *Non-Discretionary* means we will seek your prior consent for every transaction.
- We will typically monitor accounts, and specific investments within accounts, on an ongoing basis to align with your investment goals. However, in some cases, such as financial planning only engagements, we will not provide ongoing monitoring.
- Limitations: recommendations made in financial plans may include Brokerage Services, Insurance Services, and Investment Advisory Services. Typically, Investment Advisory Services are limited to products offered through MIS or through advisors and sub-advisories with which MIS has agreements. These Advisory Services create incentives for us to encourage you to invest through us and firms with which we have agreements.

For more detailed information about our advisory services, you may request a free copy of our Form ADV and refer to Item 4 & 7 of ADV Part 2:

<https://www.macktracks.com/additional-links>

What fees will I pay?

Brokerage Services

- **Commission:** we charge *transaction-based fees* every time you buy or sell an investment. The amount you pay varies according to the particular investment and amount invested. We collect these fees each time a transaction takes place, which can create an incentive for us to encourage you to trade often.
- For investments in stocks or ETFs, *transaction-based fees* are usually charged as a separate commission or sales charge. For investments in bonds and CDs, this fee is typically included as part of the price you pay for the investment and may not be disclosed in the transaction confirmation.
- **Sales Commissions “Loads:”** For investments in certain products including mutual funds and annuities, we receive transaction-based fees from the investment product sponsor in the form of asset-based sales charges. These fees are based on the amount invested in a certain product and in some cases may also be dependent on how long you hold the investment position. Sales loads create an incentive for us to recommend certain products or product sponsors based on the fees we collect.

QUESTIONS TO ASK YOUR PROFESSIONAL:

- Can you 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?
- Are fees and expenses one-time charges or do they continue?

Other Fees and Costs

If applicable to your account, we'll charge you directly for other fees in addition to brokerage commissions and advisory fees, including: (1) account maintenance fees such as custody, trading fees, trade confirmation processing, corporate actions, and transfer fees; (2) cash management fees, such as cash sweep, checking and wire fees; and (3) investment-specific fees such as those for administration of alternatives investments or for foreign securities. You should understand that these fees are not charged by us if your investment is in an account that is held directly with the fund sponsor. Generally, advisory fees don't include any brokerage commissions or other transaction costs, redemption fees, wire transfer fees, overnight check fees, account closing fees, or any other charges imposed by the administrator, custodian, or other service provider.

For additional information, please see <https://www.macktracks.com/additional-links>.

Investment Advisory Services

- For investment advisory services, we typically charge an ongoing monthly, or quarterly, *asset-based fee* of a percentage of the value of your assets in the account we manage, which will be reflected in your statements. The fee generally ranges from 1.00% to 2.25%. The more assets you have in these types of accounts, the more you will pay in fees, which creates an incentive to encourage you to increase the size of your account.
- **Custodial Minimums:** In some cases, a minimum \$50 fee will be imposed by our custodian (Axos Advisor Services) if the custodial fee would otherwise be lower than \$50.
- **Hourly Fees** range from \$300-\$500 per hour and require a minimum of two hours, or a fee agreed upon in writing before the engagement initiates.
- **Fixed Fees** typically range from \$2,000-\$8,000 per engagement, as agreed upon in writing between you and your financial professional.
- **Fees Offset by Commissions:** If you elect to implement recommendations provided through our Financial Planning or Consulting, you may pay additional fees or commissions to your financial professional that are separate and distinct from investment advisory fees. These fees and commissions may be related to brokerage and/or insurance products.

You will pay fees and incur 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.

¹ Sponsor means the insurance company, mutual fund, or other investment company.

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 are compensated creates 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:

Principal Trading: We can buy investments from you and sell investments to you from our own proprietary trading accounts, which means we, as a broker-dealer, “act as a principal.” We can earn a profit on these trades, so we have an incentive to encourage you to trade with us.

Third-Party Payments: We, as a broker-dealer, receive compensation from third parties related to investments you make in certain products, including mutual funds, annuities, private placements, and alternatives investments. This compensation includes ongoing distribution charges, such as 12b-1¹ fees or commission trails², which an investment product charges you and then pays to us.

Unaffiliated Investment Programs: If we recommend that you allocate all or a portion of your investment assets to an independent investment manager program, you should be aware that MIS generally receives additional compensation. This arrangement creates an incentive for our financial professionals to recommend the use of unaffiliated investment programs as they will earn compensation in addition to the investment advisory fees you pay to MIS.

Unaffiliated Bank Relationship: We have an agreement with Cornerstone National Bank & Trust (“Cornerstone”) to provide brokerage services and insurance services through designated employees of Cornerstone who are registered as financial professionals representing MIS. MIS receives compensation on insurance products and brokerage services sold by the financial professionals at Cornerstone, and in turn MIS pays a portion of those commissions back to Cornerstone.

Mack Investment Insurance Brokerage Inc. & Other Insurance Companies: Some of the Professionals of MIS are insurance agents of Mack Investment Insurance Brokerage Inc. (dba Mack Investment Securities, Inc.), a licensed insurance agency. These Professionals may also be insurance agents for one or more insurance companies. As such, they receive separate commission compensation, so this arrangement creates an incentive for some of our Professionals to recommend specific insurance products.

Outside Business Activities: Stephen Mack of MIS is also a representative of Coldwell Banker Real Estate. In his separate capacity, he is licensed under Coldwell Banker as a real estate referral agent. As such, Stephen Mack may earn separate compensation for the sale or rental of real estate properties, which creates an incentive for him to refer you to Coldwell Banker and/or offer real estate services outside of his capacity at MIS.

Affiliated Managers of the Money Managers Plus Program: MIS has formed an investment program named the Money Managers Plus Program (the “Program”). The Program offers various investment managers representing different investment strategies and styles. Some financial professionals of MIS also act as portfolio managers for the Program. These portfolio managers receive additional compensation if assets are designated for their management, which creates an incentive for them to recommend that you designate all or a portion of your assets for their management.

¹ 12b-1 fee is an annual distribution fee on a mutual fund and reduces your return.

² A **trailing commission** is a fee that you or your custodian pays a financial professional each year that you own an investment.

Additional Information. For additional information, please see our disclosures including our Form ADV Part 2A at: <https://adviserinfo.sec.gov/firm/summary/17643>.

QUESTIONS TO ASK YOUR PROFESSIONAL:

- How might your conflicts of interest affect me and how will you address them?
- Is there a way to avoid all conflicts of interest with you?

How do your Financial Professionals make their money?

All of our financial professionals are employees or independent contractors of MIS. Those who provide investment advisory services receive a portion of the advisory fee you pay and those who provide brokerage services receive a portion of the commissions on trades and or investment products. Receiving a portion of the advisory or brokerage fees you pay to us creates an incentive for them to encourage you to increase your investment account size or trade more frequently. Our financial professionals also receive different levels of compensation for selling different types of investments or services. This could include, for example, a share of the 12b-1 fees, trail commission, or sales loads paid to us by an investment product sponsor. Although your financial professional is required to act in your best interest when recommending investment products or managing your account, these additional forms of compensation create an incentive for them to recommend specific financial products.

Do you or your Financial Professionals have legal or disciplinary history?

No. Visit www.investor.gov/CRS for a free and simple search tool to research us and our financial professionals.

QUESTIONS TO ASK YOUR PROFESSIONAL:

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

Additional Information.

For additional information about our products and services, visit www.investor.gov or BrokerCheck.Finra.org,-visit our website: <https://www.MackTracks.com>, or review your account agreement(s). You may also request a copy of this relationship summary by visiting our website or calling us.

For additional information on advisory services, see our Form ADV brochure on IAPD, on Investor.gov, or on our website (<https://www.MackTracks.com>), and any brochure supplement your financial professional provides.

To report a problem to the SEC, you can visit www.Investor.gov or call the SEC's toll-free investor assistance line at (800) 732-0330. To report a problem to FINRA, you can visit www.finra.org or call their help line at (240) 386-4357.

If you have a problem with your investments, account, or financial professional, please contact our Chief Compliance Officer, Cynthia Jenkins, at:

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Office: 847-657-6600 | Fax: 847-657-6605
211 Waukegan Road, Suite 300, Northfield, IL 60093

QUESTIONS TO ASK YOUR PROFESSIONAL:

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