

## **Haywood Securities (USA) Inc. CLIENT RELATIONSHIP SUMMARY**

Haywood Securities (USA), Inc. (“HUSA” or “we”) is a broker-dealer registered with the Securities and Exchange Commission (SEC) and is a member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investor Protection Corporation (SIPC). HUSA is the wholly owned US registered broker-dealer subsidiary of Haywood Securities Inc. (“Haywood Canada”), a member of the Investment Industry Regulatory Organization of Canada (IIROC). HUSA is not a member of the IIROC and therefore not subject to the direct jurisdiction of the IIROC. However, as a resident dealer in British Columbia, HUSA is subject to the jurisdiction of the British Columbia Securities Commission. US retail and institutional clients conduct their securities transactions with HUSA; any non-US client accounts should be opened through Haywood Canada. Broker-dealer and investment advisory services and fees differ and it is important for you to understand these differences. Free and simple tools are available to research firms and financial professionals at [www.investor.gov/CRS](http://www.investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

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

We offer brokerage services through our financial professionals. We can recommend the purchase and sale of securities for you, but you make the ultimate decision regarding all transactions. We offer an array of investment options including, Canadian and U.S. listed securities, exchange traded funds (ETFs), bonds, and other securities, but we do not offer every product available in the marketplace. We do not limit our investment offerings to a specific menu of investments, and do not sell proprietary investments issued or sponsored by us or our affiliates. We do not impose account size minimums or investment amount minimums but some issuers of the products we offer do. Generally, our customers’ accounts are held in custody with our clearing broker-dealer and custodian of choice. While as a broker-dealer we do not provide ongoing account monitoring services on any set basis, our financial professionals can periodically review your account for purposes of determining whether additional recommendations may be in your best interest. Not all our financial professionals can offer all investments and services available through us. We do not offer investment advisory services.

For additional information about the services we offer, please visit the HUSA page on the HSI website at [www.haywood.com/usa](http://www.haywood.com/usa).

### **Conversation Starters**

Ask your financial professional:

- *Given my financial situation, should I choose an investment advisory service? Should I choose a brokerage service? Should I choose both types of services? 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?*

### ***What fees will I pay?***

*The fees you pay are based on the specific transactions in your account and not its value. You will pay a fee every time you buy or sell an investment in the form of a “commission charge”. The amount of the commission charge is at the discretion of your financial professional. With certain investments, such as bonds, this fee might be part of the price you pay for the investment (called a “mark-up” or “mark down”). The more transactions in your account, the more fees you will be charged. We therefore have an incentive to encourage you to engage in transactions in your account. You will pay fees and charges whether you make or lose money on your investments. You also may pay additional fees, such as custodian fees, wire transfer fees, account termination fees, transfer fees, inactive account fees, and*

certificate deposit fees. Fees and charges will reduce any amount of money you make on your investments over time. We do not charge you advisory fees based on managing your account or for making investment recommendations, if any. Please make sure you understand what fees and charges you are paying. For additional information, please see our current Administration Fee Schedule here: [PAD \(haywood.com\)](http://PAD(haywood.com))

#### **Conversation Starters**

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?*

#### ***What are your legal obligations to me when providing recommendations? How else does your firm make money and what conflicts of interest do you have?***

When we provide you with a recommendation, we are required 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 are some examples to help you understand what this means.

- **Third-Party Payments:** Some investments pay us commissions and other fees (e.g. new issue transactions). This incentivizes us to recommend these products over other products that make no such payments or less of them.
- **Order Routing:** HUSA routes its client order flow to Haywood Canada for execution. Your HUSA financial advisor is also a registered representative with Haywood Canada and may have clients of Haywood Canada who trade against your order in the marketplace for which they are paid commissions.
- **Principle Trading:** Although HUSA does not engage in principle trading, Haywood Canada does. If Haywood Canada trades as principle against your order in the marketplace, that will be disclosed to you.

#### **Conversation Starter**

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 earn commissions from the sale of securities. The more a financial professional sells through us, the more we pay them as a percentage of those sales. Therefore, your financial professional has an incentive to encourage you to trade often and make larger purchases.

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

Yes. For information about our disciplinary history, please visit <https://brokercheck.finra.org/> or [www.investor.gov/CRS](http://www.investor.gov/CRS) for a free and simple search tool to research us and our financial professionals.

#### **Conversation Starter**

Ask your financial professional:

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

#### ***Where can I get additional information?***

#### **Conversation Starter**

Ask your financial professional:

- *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?*

If you would like additional information about our services or a copy of this relationship summary, please call your Registered Representative or visit our website at [www.haywood.com/usa](http://www.haywood.com/usa).