



# BROKER-DEALER CLIENT RELATIONSHIP SUMMARY

150 South 5th Street, Suite 3300, Minneapolis, MN 55402 • 800-851-2920 • 612-851-5900 • [NorthlandSecurities.com](http://NorthlandSecurities.com)

## INTRODUCTION

Northland Securities, Inc. is a Broker-Dealer (BD), Member FINRA/SIPC, registered with SEC and MSRB, and a duly Registered Investment Adviser (RIA) doing business as Northland Asset Management. Northland Securities is a privately-held, employee-owned Broker-Dealer. This document serves as our communication of our best interest standards of a Broker-Dealer relationship and to provide an overview of the products and services we provide under such arrangement.

Additional resources are available at [BrokerCheck.Finra.org](http://BrokerCheck.Finra.org) or [Investor.gov](http://Investor.gov), which also provides educational materials about Broker-Dealers, Investment Advisers, and investing.

## RELATIONSHIPS AND SERVICES

- When we provide you with a recommendation as a Broker-Dealer, we must act in your best interest and not put our interests ahead of yours. At the same time, the way we earn revenue creates some conflicts with your interests. Please ask us about these conflicts and how they may influence the recommendations and investment advice we provide.
- Securities transactions must meet applicable client suitability standards and guidelines and will be reviewed at the time of the recommended purchase or sale. To best meet your needs, we encourage clients to meet regularly with their Financial Representative to review their individual situation, life changes, financial goals, risk tolerance, and liquidity needs.
- When you have a brokerage account, you will pay Northland a transaction-based fee, generally referred to as a commission or sales credit, every time you buy or sell an investment. You may select investments on your own or we may recommend investments for your account, but the ultimate investment decision remains yours.
- Northland will send paper or electronic statements, delivered on a monthly or quarterly basis depending on the trading activity in your account.
- We offer a wide selection of investments, including our own proprietary bonds and new issue equities that are only available at our firm.

## OUR OBLIGATIONS TO OUR CLIENTS

We must act in your best interest and not place our interests ahead of yours when we recommend an investment involving securities. We must treat you fairly and comply with industry rules and regulations. Unless we agree otherwise, we are not required to monitor your portfolio or investments on an ongoing basis. Please see the "Conflicts of Interest" section of this document for more information.

## FEES AND COSTS

Fees and costs affect the value of your account over time. Transaction charges may apply to securities purchases, sales, and exchanges. The rate charged varies by product and transaction. Transaction charges are determined by size of trade, security type, financial representative, product sponsor or family, length of investment, and processing method. The more transactions in your account, the more fees you pay.

- The amount you pay is based on each specific transaction and not the value of your account. With stocks or exchange-traded funds, this amount is usually a separate commission. With other investments, such as bonds, the mark up, mark down, or sales credit is included in the purchase or sale price you pay for the security. Northland will mark up the price when we sell you a security, and Northland will mark down the price when we buy a security from you. Mutual funds typically have a fee called a load that reduces the value of your investment.
- Some investments, like mutual funds and variable annuities, impose additional fees, such as internal management fees and 12b-1 fees, that will reduce the value of your investment over time. Also, with certain investments you may have to pay surrender charges when the investment is sold.
- 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 custodian fees, account maintenance fees, and account inactivity fees.
- Please ask your Financial Representative if you have questions on the fees and costs that you will pay.

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## FEES AND COSTS

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- Please review the [Northland Client Fee Schedule](#), located with the important disclosure and regulatory information on the “Policies and Disclosures” page of the Northland Securities website at: <https://www.northlandsecurities.com/policies-disclosures/>. Also please review the [Northland Regulation Best Interest Disclosure Document](#), which can be found on the same webpage and at: <https://www.northlandsecurities.com/policies-disclosures/#regbi-disclosure-doc>.

## CONFLICTS OF INTEREST

- Northland and your Financial Representative receive different compensation depending on the security type you buy or sell. For example, commissions are generally higher on investments such as mutual funds, variable annuities, fixed index annuities, or real estate investment trusts (REITs). These types of investments are often complex and offered by companies that pay our firm to sell their products. Commissions are generally lower on individual stocks and bonds. Your Financial Representative’s compensation is based on a percentage of the commissions paid by their clients and will increase as more commissions are generated. We therefore have an incentive to encourage you to engage in transactions.
- Northland receives due diligence and marketing distribution fees in relation to certain products that are offered.
- Our Financial Representatives participate in product-sponsored training opportunities, and those companies pay for expenses incurred by our representatives to attend. This is referred to as non-cash compensation.
- Northland is an introducing Broker-Dealer. We utilize a single clearing/custodial firm - Pershing LLC. We have revenue-sharing arrangements with Pershing. Therefore, we may not offer you the lowest custodial clearing costs that could be available to you at another firm.
- Northland buys investments from you or sells investments to you from its own firm inventory accounts called acting as principal. We can earn a profit on these trades, so we have an incentive to encourage you to trade with us.
- Northland underwrites equity and fixed income securities; these are called proprietary products. Northland and its Financial Representatives are incentivized to recommend these products. These products may have higher commissions paid to the Financial Representative, as well as generate additional revenues for Northland. Further, compensation to Northland and the Financial Representatives is often contingent on the closing and the success of the underwritten transaction.
- Northland pays our employees a referral fee for introducing our Banking Groups to new corporate clients if the deal is completed by Northland or Northland participates in the deal.
- We have legal and disciplinary events. For additional information regarding these events, please visit BrokerCheck at [BrokerCheck.Finra.org](#). For additional information about our representatives or services, visit BrokerCheck at [BrokerCheck.Finra.org](#), [NorthlandSecurities.com](#), and your account agreement.
- Visit [Investor.gov](#) (<https://www.investor.gov/>) for simple search tools to research our firm and our Financial Representatives.
- To report a problem to the SEC, visit [Investor.gov](#) or call the SEC’s toll-free investor assistance line at (800) 732-0330. To report a problem to FINRA, visit [Finra.org/Contact-Finra](#) or call (800) 289-9999. If you have a problem with your investments, account, or Financial Representative, contact us in writing at Northland Securities, 150 S. Fifth Street, Suite 3300, Minneapolis, MN 55402, or call (800) 851-2920.

## ADDITIONAL INFORMATION

This document is applicable for a retail investor, which is defined by the SEC as a natural person, or the legal representative of such natural person, who seeks to receive or receives services primarily for personal, family, or household purposes.

The information provided here is not all inclusive. Please consult the prospectuses, statements, brochures, or other product- or service-specific materials, as well as ask your Financial Representative to learn more about specific fees, expenses, and product information. We are here to help and to ensure your understanding of our work and compensation.

Investor resources and tools are available at the SEC’s Office of Investor Education and Advocacy website [Investor.gov](#), which provides educational materials about Broker-Dealers, Investment Advisers, and investing.

## QUESTIONS YOU MAY HAVE

We encourage our clients to ask questions, to ensure you thoroughly understand the products and services we are providing to you, and the cost, fees, and commitment involved in the course of conducting business.

- Given my financial situation, why should I choose a brokerage account?
- How much would I pay per year for a typical brokerage account? What would make those fees more or less? What services will I receive for those fees?
- How will you choose investments to recommend for my account?
- How often will you monitor my account’s performance and offer investment advice?
- Do you or your firm have a disciplinary history? For what type of conduct?
- What is your relevant experience, including your licenses, education, and other qualifications? Please explain what the abbreviations in your licenses are and what they mean.