

Monex Securities, Inc.

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Monex Asset Management, Inc.

Customer Relationship Summary (Form CRS)

February 2021

Introduction

Monex Securities, Inc. ("Monex Securities") is registered with the Securities and Exchange Commission ("SEC") as a broker-dealer and is a member firm of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investor Protection Corporation ("SIPC"). Monex Asset Management, Inc. ("Monex Asset Management") is registered with the SEC as an investment adviser. Monex Securities and Monex Asset Management are affiliated through common ownership and control. Collectively, we provide our clients with broker-dealer services through Monex Securities, and investment advisory services through Monex Asset Management, Inc.

There are different ways you can get help with your investments. You should carefully consider which types of accounts and services are right for you. This document gives you a summary of those types of services we provide, and how you pay for those services.

Brokerage and investment advisory services and fees differ, and it is important for the retail investor to understand the differences. Free and simple tools are available for you to research firms and financial professionals at www.investor.gov/CRS, a website maintained by the SEC. These tools can also provide you with educational materials about broker-dealers, investment advisers, and investing.

What investment services and advice can you provide me?

Brokerage Services provided by Monex Securities

We offer brokerage services to retail investors, including buying and selling securities. Our services include discussing your investment goals, assistance with developing or executing an investment strategy, on-going communications, making investment recommendations consistent with your investment strategy and facilitating the execution and settlement of your securities transactions. We generally provide services on a non-discretionary basis, and to this end, you may select investments, or we may recommend investments for your account, but you make the ultimate investment decision regarding the investment strategy, purchase and sale of investments in light of your investment objectives, risk tolerance, financial circumstances and investment needs. Notwithstanding that, we may accept limited discretionary authority, as to price and time, in certain circumstances. Our investment advice generally covers equities, debt, options, futures, and mutual funds. Other firms could provide advice on a wider range of choices, some of which might have lower cost. Additionally, unless we separately agree, we do not monitor your brokerage accounts; however, we can offer you additional services to assist you with your investment goals, including the monitoring of the performance of your brokerage account, insurance products and investment advisory services.

Investment Advisory Services provided by MAMI

We offer investment advisory services and advice on a regular to retail investors. Our services include discussing your investment goals, designing with you a strategy to achieve your investment goals, and

the on-going monitoring of your account. We generally contact you, either in person, by phone or email periodically regarding to discuss your investment portfolio.

Additionally, as an investment adviser, we provide discretionary and non-discretionary advisory services. Our discretionary authority is generally granted, at the outset of our advisory relationship in our client agreement, to select the identity and amount of securities to be bought or sold during your advisory relationship with us. We exercise such discretion in a manner consistent with the stated investment objectives, limitations and restrictions imposed upon us by you. With respect to our non-discretionary services, you should be aware that you make the ultimate decision regarding your investment holdings, including the purchase and or sale of those investments.

Brokerage and Advisory Services

Our investment advice generally covers equities, debt, and mutual funds. Other firms could provide advice on a wider range of choices, some of which might have lower cost. We generally require that clients have a minimum of \$100,000 in investment assets to open and maintain an account with us, however, we may waive the minimum in our sole discretion.

Additional Information

For additional information on Monex Securities, please see our Regulation Best Interest Disclosure, your account agreement, or other applicable documents or on our website: www.monexusa.com. For information on the advisory activities of Monex Asset Management, see its Form ADV, Part 2A Brochure. Additionally, you can contact us about our services at 713-877-8234 and we will be happy to discuss with you.

Conversation Starter: - Ask your financial professional -

- ***Given my financial situation, 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?***

What fees will I pay?

Principal Brokerage Fees and Costs

If you open a brokerage account, you will pay us a transaction-based fee, generally referred to as a commission, every time you buy or sell an investment. While 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. With stocks or exchange-traded funds, this fee is usually a separate commission. With other investments, such as bonds, this fee might be part of the price you pay for the investment (called a “*mark-up*” or “*mark down*”). With mutual funds, this fee (typically called a “*load*”) reduces the value of your investment.

Ultimately, the more transactions in your account, the more fees we charge you. We therefore have an incentive to encourage you to engage in transactions.

Principal Investment Adviser Fees and Costs

Retail investors will incur the fees described below for investment advisory services, which are negotiated between you the client, and your financial advisor at Monex Asset Management. The principal fees for investment advisory services are as follows:

- Asset-based fees, which are an on-going fee, and based upon a percentage of the assets managed by us.
- Fixed charges for data feed costs (if applicable).

Our advisory fees vary and are negotiable. The amount you pay will depend, for example, on the services you receive and the amount of assets in your account. Additionally, the amount paid to us and your financial professional generally does not vary based on the type of investments we select on your behalf. The asset-based fee reduces the value of your account and will be deducted from your account.

The more assets you have in the advisory account, including cash, the more you will pay us. We therefore have an incentive to increase the assets in your account in order to increase our fees. You pay our fee quarterly even if you do not buy or sell your investment assets.

Other Fees and Costs

You may incur additional fees, such as custodial fees, account maintenance charges, account inactivity fees, deferred sales charges, wire transfer and electronic fund fees, and other fees and taxes on custodial brokerage accounts and securities transactions and other transactional fees and product level fees. Some investments (such as mutual funds and variable annuities) impose additional fees that will reduce the value of your investment over time. Also, with certain investments such as variable annuities, you may have to pay fees such as “*surrender charges*” to sell the investment.

Additional Information

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.

Please see our Regulation Best Interest Disclosure (regarding our brokerage services), and our Form ADV Part 2A brochure. Item 5 (regarding our advisory relationship) and other applicable documents for additional information regarding our fees and costs.

Conversation Starter: Ask your financial professional and start a conversation about the impact of fees and costs on investments -

- ***Help me understand how these fees and costs 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 the 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 make money creates some 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:

- Certain managers and sponsors (or their affiliates) shares revenue they earn with us when you invest in certain of their investment products (primarily mutual funds and variable annuities) with us. As such, we have an incentive to recommend (or to invest your assets in) products of sponsors and managers that share their revenue with us, over other products of sponsors or managers that do not share their revenue, or who share less.
- We may buy or sell securities to you for our own account. Because we earn compensation (such as commission equivalents, mark-ups, mark-downs, and spreads) and can receive other benefits in these principal transactions, we have an incentive to encourage you to trade with us on a principal basis.
- Your custodian provides services to us, including research, execution, brokerage, custody and access to mutual funds and other investments. Additionally, other services provided assist us in

managing and administering clients' accounts. These services are provided based in part on the assets held at the respective custodians, and as such, creates an incentive for us to direct clients to their custodial platforms. For additional information, please see our Form ADV Part 2A, Item 14.

Additional Information

For additional information, please see our Regulation Best Interest Disclosures, Form ADV, Part 2A Brochure, and other applicable documents.

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?

Your financial professional earns compensation based upon a portion of (i) the sales commissions resulting from the buying and selling securities for your brokerage account, (ii) the revenue Monex Asset Management earns for providing you with advisory services or recommendations, and (iii) for the sale of insurance products through Monex Asset Management. As a result, your financial professional may have a financial incentive to buy and sell securities in a brokerage account and or to increase your portfolio assets under management. Additionally, your financial professionals are compensated based on factors such as the amount of client assets they service, and the time and complexity required to meet a client's needs

Do you or your financial professionals have legal or disciplinary history?

Yes. Please see www.Investor.gov/CRS or <https://brokercheck.finra.org> for a free and simple tool to research the background and experience of 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 find additional information?

For information regarding our brokerage services, please see our Regulation Best Interest Disclosures, and other applicable documents, or if you would like additional, up-to-date information or a copy of this disclosure, please contact Jesus Heiras by phone at 713-877-8234, or by email at jheiras@monexusa.com

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? Whom can I talk to if I have concerns about how this person is treating me?***