



**Westco Investment Corp.**  
**BROKER-DEALER**  
**FIRM**  
**BROCHURE**

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## Section 1: Introduction

On behalf of Westco Investment Corp. (“WIC”, or the “Firm”) we would like to thank you for taking time to learn more about our firm, our people, and our services. While we hope that both the terms used and the subjects included in this brochure (“BD Firm Brochure” or “Brochure”) are familiar to you, in some cases they may not be. To assist you in better understanding the topics discussed in this Brochure, a brief explanation of several terms that are used throughout may be of benefit.

WIC is a broker-dealer. What that means is that we are a company that is in the business of buying and selling securities—mutual funds, variable annuities, and certain other investment products—on behalf of our customers. Individuals who are associated with broker-dealers and serve as representatives for retail customers buying and selling investment products—the personnel whom many people call brokers or registered representatives—are referred to by WIC as Financial Professionals (“Financial Professional(s)”, “FP” or “FPs”), and that is how they are described in this Brochure. Knowing who we and our Financial Professionals are should make it easier for you to navigate this Brochure, but if you have questions, or would like clarification regarding anything discussed in this Brochure, please ask your FP to assist you.

Regulation Best Interest (“Reg BI”) requires broker-dealers and their Financial Professionals to act in the best interest of a retail customer (“you”) and place your interests ahead of all others when making a recommendation of any securities transaction or investment strategy involving securities, including account recommendations and rollover/transfer of assets. Reg BI also requires that broker-dealers disclose the material facts relating to the scope of the terms of your relationship with your broker-dealer and FP.

The purpose of this Brochure is to foster your understanding of your relationship with WIC and your FP, and to help you evaluate any recommendations you receive.

When your FP makes a recommendation to you regarding any securities transaction or investment strategy involving securities (including account recommendations and rollover/transfer of assets), your FP should be providing the recommendation in your best interests at that specific time, without placing your FP’s financial or other interest ahead of your interests.

This Brochure is designed to help you obtain the facts needed when deciding the type of account(s), securities, or services to help you obtain your investment objectives.

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## Section 2: Investment Philosophy

The process by which WIC and its Financial Professionals develop their investment recommendations to retail customers is of fundamental importance to your understanding of what services are being provided, and whether those services are appropriate to your needs and goals.

WIC's philosophy is to provide its Financial Professionals with access to a diverse array of investments to support client risk profiles, including, but not limited to: mutual funds, variable insurance products, 529 plans, and unit investment trusts ("UIT") (collectively, "Packaged Product" or "Packaged Products").

Packaged Products have sponsors (a "Packaged Product Sponsor") which distribute the Packaged Products and manage the Packaged Product's underlying investments. We review our Packaged Product Sponsors to ensure the investments they offer are managed by experienced, cost-conscious, and financially and organizationally strong companies.

An important component of our investment philosophy involves performing due diligence on Packaged Product Sponsors. Our due diligence includes, but is not limited to, the following:

- Financial and organizational strength (years in the business, assets under management, depth of management, any recent or near-future major organizational changes).
- Key personnel and their backgrounds, qualifications, experience, track records, tenure, and reliance on specific key employee(s).
- Market research was carried out in-house and the strength and experience of research staff.
- Investment methodology (for example, with respect to mutual fund sponsors, we review portfolio turnover rates, risk tolerance levels, models used/indicators tracked, how buy/sell decisions are made, as well as the performance of the investments net of fees).
- Compliance with securities laws, as well as a review of litigation and/or criminal convictions involving the Packaged Product Sponsor, their principals, and portfolio managers within the last 10 years.

Your FP will analyze the available investments and account types and provide you an account recommendation based on your investment profile, including but not limited to your personal investment objectives and goals, time horizon, risk tolerance, financial situation, needs, and personal circumstances.

If there are elements of your FP's investment philosophy that are not addressed in this Brochure, your FP will provide you with information detailing your FP's own investment approach.

### Section 3: Financial Professional

Your FP is a registered representative of WIC, a broker-dealer, and is registered through the Financial Industry Regulatory Authority (“FINRA”) to sell and service investment products. Your FP is licensed as either a Series 6 or Series 7 Financial Professional.

- **Series 6** is a securities license entitled to a registered representative of a broker-dealer to sell mutual funds, UITs, 529 savings plans, variable annuities, and variable life insurance. For providing this service, the registered representative receives compensation in the form of a commission. Holders of the Series 6 license are *not* permitted to sell corporate or municipal securities, alternative investment programs, life insurance, or options.
- **Series 7** is a securities license entitling a registered representative of a broker-dealer to sell *all types of securities products and investments* (i.e., stocks, Exchange Traded Funds (“ETF”), bonds and other individual fixed income investments, annuities, mutual funds). For providing this service, the registered representative receives compensation in the form of a commission. Holders of the Series 7 license are *not* permitted to sell commodities, futures, or life insurance.

Since your FP is a registered representative of a broker-dealer, your FP must comply with Regulation Best Interest and will take into consideration all types of accounts that could be offered when making the recommendation of an account that is in your best interest. Account recommendations include:

- Recommendations of securities account types generally (e.g., to open an IRA or other brokerage account), as well as
- Recommendations to roll over or transfer assets from one account to another (e.g., a workplace retirement plan account to an IRA).

In making recommendations to you associated with the services described in this Brochure, your FP is acting in the capacity of a registered representative of a broker-dealer. If this capacity changes at any point during a recommendation, it will be disclosed to you at that time.

In your FP’s capacity as a registered representative of a broker-dealer, your FP will monitor your portfolio of investments on a quarterly ongoing basis. However, your FP may voluntarily—and without any agreement with you—review the holdings in your account more frequently for the purpose of determining whether to provide you with a recommendation. This voluntary review is *not* considered to be “account monitoring,” and does *not* create an implied agreement with you to monitor the account on a more frequent than quarterly basis.

In addition:

- Your FP could be registered as an Investment Adviser Representative (IAR) of a Registered Investment Adviser (RIA) firm. If so, the FP would also be able to

provide advisory services as well as the products and services mentioned above. When acting in an advisory capacity, you will receive the RIA firm's Form ADV brochure.

- Your FP could be registered as an insurance agent. In this case, the FP would be able to sell insurance products along with the products and services. Your FP will explain what products he/she is able to sell, and you can also visit FINRA's Broker Check to review your FP's licenses and financial industry background.
- Your FP may be a tax preparer, offering tax preparation and tax planning services. Your FP will explain what services he/she provides.

Please also refer to WIC's Form CRS to learn more about the Firm.

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## **Section 4: Services**

Your relationship begins with your FP working with you to identify your investment profile (investment goals and objectives, as well as risk tolerance). Your FP will then develop a recommendation or recommendations designed to complement your financial situation, needs, and personal circumstances, and the recommendation will be in your best interest.

Depending on your needs and investment objectives, your FP will provide services through a:

- Brokerage relationship
- Investment advisory relationship
- Or both

There are important differences between these relationships as they relate to types of services and accounts, such as the following:

Brokerage services are when your FP and WIC (as a broker-dealer) facilitate the execution of investment transactions for a commission, either:

- Through a brokerage account, or
- Through an account held directly at a Packaged Product Sponsor, based on your instructions.

Your FP will be licensed as a Series 6 or Series 7 Financial Professional.

Additional services your FP may offer include:

- Investment education
- Research
- Financial tools

- Personalized guidance such as recommendations

These recommendations—based on your investment goals, objectives, and risk tolerance—may include:

- Whether to buy, sell, or hold security or securities
- What type of account to open (e.g., taxable or qualified)
- Whether you should transfer/roll over assets from another account (such as a retirement plan)

Your FP will provide ongoing quarterly monitoring of your account(s) portfolio. It is important for you too:

- Review your account(s) regularly
- Communicate with your FP whenever you have questions
- Inform your FP if your financial situation, needs, or personal circumstances change

Advisory services are when your FP and WIC’s advisory affiliate, Westco Advisory Services, INC. (“WASI”) (as an SEC registered investment adviser and as a fiduciary) provides ongoing investment advice and monitoring service of your account(s) for a fee. This service may be on a discretionary basis, which means that your FP can place trades, rebalance your portfolio or make other investment decisions for your account without first discussing with you and obtaining your approval. Other services your FR can provide are financial planning, non-discretionary consultation, and advice on the selection of professional asset managers. To provide these advisory services, your FP or check FIRNA’s Broker Check to see if your FP can provide advisory services.

This Brochure is focused on describing a brokerage service relationship to you. However, when evaluating which type of relationship is best for you, consider the following:

<b>Brokerage Services</b>		<b>Advisory Services</b>
Broker-Dealer	<i>Affiliation</i>	Registered Investment Advisor
Registered Representative “Financial Professional”	<i>Relationship Manager</i>	Investment Advisory Representative “Advisor”
Less frequent, often initiated by client	<i>Contact</i>	As needed, usually initiated by Advisor
Commission	<i>Compensation</i>	Fee
Pay when you transact	<i>Payment Timing</i>	Pay a fee usually based on a percentage of the value of your assets under management.
Requires your approval for each transaction	<i>Investment Discretion</i>	Can make discretionary investment decisions for you based upon prior guidance, goals and risk tolerance.

Below are some questions you might want to think about and ask your FP:

- Do you want or need someone to manage your account(s)?
  - Or do you want to make all your investment decisions and only receive advice when you ask for it?
- Do you want someone to monitor your account(s) and provide ongoing investment advice?
  - Or do you want just someone there if you have a question about your account or an investment?
- Do you have an active investment strategy of wanting to buy/sell when any type of financial or economic situation or opportunity presents itself?
  - Or do you have a passive investment strategy buy-and-hold for a long period of time and not influenced by financial or economics swigs?
- Do you mind paying an ongoing fee for your FP's services?
  - Or would you rather pay your FR to each transaction he/she helps you with?

In addition to the questions above, WIC's Form CRS contains several "Conversation Starters" that you can use as discussion points with your FP in determining what services are right for you. It is our goal for you to be as informed as possible regarding your investment options, and both WIG and your FP are available to explain our services in greater detail should you need any further information.

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## Section 5: Platform/Programs

**Direct Sponsor Business** is where your financial account and the assets inside are held directly with a Packaged Product Sponsor. The investments you can purchase and hold in that account are the investments the specific sponsor offers.

The specific sponsor dictates:

- The types of accounts you can set up
- The investments you can purchase
- The fees associated, etc.

Direct Sponsor Business is available for:

- Mutual Funds
- Annuities
- Variable Life Insurance
- 529 Plans



Please see the material provided by each of the Direct Sponsor Businesses for details on each offer. The FP Compensation Disclosure provides detailed on the compensation your FP will receive in connection with each one of these offerings

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## Section 6: Risks

### Investment Considerations and Risk Management

You should carefully consider your risk tolerance, time horizon, and financial objectives before making investment decisions. By investing, you are assuming the possibility of losing money or losing purchasing power (when your money does not grow as fast as the cost of living). Risk can be classified into many different categories, and by knowing the various risk categories, you can better manage your own expectations and potentially avoid or reduce certain kinds of risk.

WIC believes that any investment discussion should include the individual and market risks that you ought to know to make informed decisions about your money. Our goal is to supply you with information so that you can make an educated decision regarding your investments.

Before you choose to invest with us, we suggest you consider the following steps put forward by the SEC:

- **Draw a personal financial roadmap.**  
Before you make any investing decision, sit down and take an honest look at your entire financial situation.
- **Evaluate your comfort zone in taking on risk.**  
All investments involve some degree of risk. If you intend to purchase securities—such as stocks, bonds, or mutual funds—it's important that you understand before you invest that you could lose some or all your money. Unlike deposits at FDIC-insured banks and NCUA-insured credit unions, the money you invest in securities typically is not federally insured. You could lose your principal, which is the amount you've invested. That's true even if you purchase your investments through a bank.
- **The reward for taking on risk is the potential for a greater investment return.**  
If you have a financial goal with a long-time horizon, you are likely to make more money by carefully investing in asset categories with greater risk, like stocks or bonds, rather than restricting your investments to assets with less risk, like cash equivalents. On the other hand, investing solely in cash investments may be appropriate for short-term financial goals. The principal concern for individuals investing in cash equivalents is inflation risk, which is the risk that inflation will outpace and erode returns over time.
- **Consider an appropriate mix of investments.**  
By including asset categories with investment returns that move up and down

under different market conditions within a portfolio, an investor can help protect against significant losses. Market conditions that cause one asset category to do well may cause another asset category to have average or poor returns. By investing in more than one asset category, you may reduce the risk that you'll lose money and your portfolio's overall investment returns might be more consistent.

- **Asset allocation is important.**

Asset allocation has a major impact on whether you will meet your financial goal(s). If you don't include enough risk in your portfolio, your investments may not earn a large enough return to meet your goal(s). For example, if you are saving for a long-term goal, such as retirement or college, most financial experts agree that you will likely need to include at least some stock or stock mutual funds in your portfolio. *Please note that diversification does not assure a gain, nor does it protect against the loss of your principal.*

- **Be careful if investing heavily in shares of employer's stock or any individual stock.**

One of the most important ways to lessen the risks of investing is to diversify your investments. It's common sense: don't put all your eggs in one basket. By picking the right group of investments within an asset category, you may be able to limit your losses and reduce the fluctuations of investment returns without sacrificing too much potential gain.

- **Consider dollar-cost averaging.**

Through the investment strategy known as "*dollar-cost averaging*," you can protect yourself from the risk of investing all your money at the wrong time by following a consistent pattern of adding new money to your investment over a long period of time. By making regular investments with the same amount of money each time, you will buy more of an investment when its price is low and less of the investment when its price is high. Individuals that typically make a lump-sum contribution to an individual retirement account either at the end of the calendar year or in early April may want to consider "*dollar-cost averaging*" as an investment strategy, especially in a volatile market.

- **Consider rebalancing your portfolio occasionally.**

"*Rebalancing*" means bringing your portfolio back to your original asset allocation mix. By rebalancing, you'll ensure that your portfolio does not overemphasize one or more asset categories, and you'll return your portfolio to a comfortable level of risk.

If you would like additional information, a more in-depth discussion of these and other risk considerations when making an investment decision can be found on the [SEC's Information for Investors website](#).

## **1. General Investment Risks**

In addition to the personal risk considerations discussed above, WIC believes it is important for you to understand the risks associated with each recommendation and investment type available. The following is a summary of some of the general risks

associated with investing. Please note that this list is not exhaustive, and is provided as an indication of some of the factors that can impact on the value of your investments:

### **Business Risk**

This is the risk that the strength of the company you are buying a piece of ownership in (a stock, for example) or are loaning money to (a bond, for example) affects your potential returns. Your returns from the stock purchase or bond purchase are influenced by factors like the company going out of business, or going into bankruptcy, or having a viable and strong revenue stream from the products or services it sells that is not over-shadowed by expenses. If a company goes bankrupt and its assets are liquidated, common stockholders are the last in line to share in the proceeds.

### **Call Risk**

This is the risk that your bond or other fixed-income investment will be called or purchased back from you when conditions are favorable to the product issuer and unfavorable to you.

### **Concentration Risk**

This is the risk of loss because your money is concentrated in one investment or type of investment. When you diversify your investments, you spread the risk over different types of investments, industries, and geographic locations.

### **Credit Risk**

This is the risk that the government entity or company that issued the investment will run into financial difficulties and won't be able to pay the interest or repay the principal at maturity. Credit risk applies to debt investments such as bonds. You can evaluate credit risk by looking at the credit rating of the bond or the issuer. For example, long-term U.S. government bonds currently have a credit rating of AAA, which indicates the lowest possible credit risk.

### **Currency Risk**

This is the risk of losing money because of a movement in the exchange rate. For example, if the U.S. dollar becomes less valuable relative to the Canadian dollar, your U.S. stocks will be worth less in Canadian dollars. This applies when you own foreign investments.

### **Default Risk**

This is the risk that a bond or other fixed-income investment issuer is unable to pay the contractual interest or principal on the product in a timely manner or at all.

## **Financial Risk**

This is the risk that the companies you invest in will perform poorly, which affect the price of your investment. You can't eliminate financial risk; however, you may be able to minimize the impact through diversification.

## **Foreign Investment Risk**

This is the risk of loss when investing in foreign countries. When you buy foreign investments, such as shares of companies in emerging markets, you face risks that do not exist in the United States (for example, the risk of nationalization).

## **Horizon Risk**

This is the risk that your investment time horizon may be shortened due to a foreseen or unforeseen event, thus requiring you to sell the investment(s) that you were expecting to hold for a longer term. If you must sell at a time when the markets are down, you may lose money.

## **Inflation Risk**

Inflation risk, also called purchasing power risk, is the chance that the cash generated by an investment today won't be worth as much in the future. Changes in purchasing power due to inflation may cause inflation risk. There are investments that help minimize inflation risk.

## **Interest Rate Risk**

This is a risk that can affect the value of bonds or other fixed-income investments you may purchase. When interest rates rise, the market value of bonds falls. When interest rates fall, the market value of bonds rises.

## **Liquidity Risk**

Liquidity risk arises when an investment can't be bought or sold quickly enough to prevent or minimize a loss. You may be able to minimize this risk by diversifying. A good option is index investing where risk is diversified over the various stocks held in a portfolio tracking a particular index. You can't invest directly in an index.

## **Manager Risk**

This is the risk that an actively managed mutual fund, exchanged fund, or closed-end fund's manager will fail to execute the fund's stated investment strategy.

## **Market Risk**

This is the risk that the stock market will decline, decreasing the value of the securities owned. Stock market bubbles and crashes are good examples of heightened market risk. You can't eliminate market risk; however, you may be able to minimize the impact through diversification.

### **Political and Government Risk**

This is the risk that the value of your investment will be affected by the introduction of new laws or regulations.

### **Reinvestment Risk**

This is the risk of loss from reinvesting the principal or income at a lower interest rate.

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## **2. Specific Investment Risks**

**Major Risks:** Call, Credit, Default, Inflation, Interest Rate, Liquidity, Reinvestment

### **Unit Investment Trust (UIT)**

This is where a U.S. financial company buys or holds a group of securities, such as stocks or bonds, and makes them available to investors as redeemable units. UITs have a stated expiration date based on what investments are held in their portfolio; when the portfolio terminates, investors get their share of the UIT's net assets.

**Major Risks:** Business, Credit, Interest Rate, Liquidity, Market, Reinvestment

### **Mutual Fund**

This is a type of investment vehicle consisting of a portfolio of stocks, bonds, or other securities. Mutual funds give small or individual investors easier access to diversified, professionally managed portfolios. Mutual funds are divided into several kinds of categories, representing the kinds of securities they invest in, their investment objectives, and the type of returns they seek.

Mutual funds charge annual fees (called expense ratios) and, in many cases, commissions, which can affect their overall returns. Most mutual funds offer you different types of shares, known as "classes." Each class invests in the same portfolio of securities and has the same investment objectives and policies. But each class has different shareholder services and/or distribution arrangements with different fees and expenses.

With an open-end fund, if you want to buy shares, the management company will sell them to you. They will take your money, add it to the portfolio, and create more shares. You always transact shares of an open-end fund with the issuing fund company, never on

the secondary market.

**Major Risks:** Concentration, Currency, Foreign Investment, Inflation, Manager, Market

## **Annuity**

This is a long-term investment that is issued by an insurance company designed to help protect the annuitant from the risk of outliving the income generated by their deposits into the contract. Because these are long-term vehicles, annuity contracts include contingent deferred sales charges ("CDSCs") that would result in a forfeiture of a percentage of account value if surrendered prior to their expiration, typically three to 10 years depending on the contract.

Annuities have two phases:

### **1. Accumulation Phase**

During the accumulation phase, contract holders can choose annuities with any one or a combination of the following accumulation account options:

- **Variable Annuity**

A tax-deferred retirement contract that allows you to choose from a selection of investments called subaccounts. These investments are designed to provide contract holders with a diversified investment portfolio in a specified asset class or general investment strategy.

Subaccounts are managed by an investment specialist or a team of specialists based on the stated objective. Each subaccount will have a unique expense ratio based on the services provided by the investment team.

For example, a subaccount designed to follow the return of a stock index, such as the S&P 500, will have a lower expense ratio than a subaccount seeking to actively manage a portfolio based on a stated objective.

**Major Risks:** Business, Credit, Liquidity

- **Investment-only Variable Annuity (IOVA)**

A type of annuity contract that provides a simple way to set aside taxable assets in a tax-deferred entity focused on investments only. Unlike most variable annuities which offer living income stream and death benefits (for a cost), IOVAs only offer investments and the ability to access the assets without penalty as early as age 59 ½.

**Major Risks:** Business, Liquidity, Market

### **2. Annuitization Phase**

This phase converts your purchase payments (what you contribute) and accumulated growth (if any) into periodic payments that can be paid out under various payment options, including a lifetime option.

Annuities can provide clients with additional benefits beyond tax-deferred growth, in the form of living benefits or enhanced death benefits including:

- **Guaranteed Minimum Withdrawal Benefit (GMWB):**  
Guarantees clients a stream of lifetime income based on a percentage of the contract's benefit base. Lifetime GMWB payments are available without having to immediately annuitize the contract.
- **Guaranteed Minimum Accumulation Benefit (GMAB):**  
Guarantees a certain portion of the investment is returned to the contract owner regardless of the performance of the subaccounts.
- **Guaranteed Minimum Death Benefit (GMDB):**  
Guarantees an enhanced benefit to the contract owner's beneficiaries regardless of the account value on the date of death. These benefits can be based on a return of the initial investment, the highest contract value on the contract's anniversary over a specified period or increase at a specified percentage over a period of time.

### **Variable Life**

This allows you to choose from a selection of investments called subaccounts. These investments are designed to provide contract holders with a diversified investment portfolio in a specified asset class or general investment strategy. Subaccounts are managed by an investment specialist or a team of specialists based on the stated objective. Each subaccount will have a unique expense ratio based on the services provided.

For example, a subaccount designed to follow the return of a stock index, such as the S&P 500, will have a lower expense ratio than a subaccount seeking to actively manage a portfolio based on a stated objective.

**Major Risks:** Business, Liquidity

### **529 Investment**

A 529 plan is a college savings plan that offers tax and financial aid benefits. These plans may also be used to save and invest for K–12 tuition in addition to college costs.

Investments in 529 plans can include various mutual funds and ETFs, and are offered either as a single investment or as a portfolio—risk-based or enrollment (age-based).

### **Major Risks:**

- Concentration
- Currency
- Foreign Investment
- Horizon
- Market

### **Closed-End Fund**

A closed-end fund is a type of investment vehicle where, at the fund's inception, the investment company raises a set amount of money and issues a specific number of shares. No new shares are created afterward. Investors can only buy fund shares on the

secondary market—from someone else who is selling. Like stocks, closed-end fund shares can be traded at any time the market is open. These shares reflect market values rather than the net asset value of the fund itself.

**Major Risks:**

- Concentration
- Currency
- Foreign Investment
- Inflation
- Manager
- Market

When deciding whether to invest in a specific investment, make sure you obtain, review, and discuss with your Financial Professional (FP) the documentation related to that investment. This includes documents such as:

- Prospectuses
- Annual Reports
- Offering Memorandums

These documents outline details such as:

- Investment structure
- Fees/costs
- Management
- Portfolio
- Restrictions
- Contributions
- Distributions
- Risks

These materials should be provided by your FP or can be obtained directly from the investment sponsor.

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**Section 7: Compensation and Conflicts of Interest**

Like every financial services company, WIC has conflicts of interest. For example, both WIC and its Financial Professionals are compensated for the products they sell—this presents an inherent conflict of interest.

As you work with your FP to choose the right investments and services, it's important that you:



1. Understand how WIC and your FP are compensated.
2. Review all material facts related to the scope and terms of WIC's and your FP's relationship with you.

This section outlines conflicts of interest tied to compensation WIC and its Financial Professionals receive for brokerage services, as well as other related conflicts, to help you understand the material facts tied to them.

### **How WIC and Your FP Make Money**

WIC and your FP may be compensated:

- Directly by you
- Indirectly through your investments

When WIC acts as a broker-dealer and you purchase a product, you typically pay a sales commission, which can be:

1. Paid at the time of purchase
2. Built into the product's expenses
3. Charged when you sell the investment

If the commission is paid upfront, WIC earns more as the dollar value of your transaction increases.

### **Packaged Products**

For Packaged Products, WIC is paid for by the Packaged Product Sponsor or its affiliates according to a standardized compensation formula. Compensation may include:

- Sales charges
- Expense charges
- Commissions

These vary based on the product type and investment amount. WIC may also receive:

- Ongoing or continuing compensation
- Trailing commissions or trails
- Marketing/service fees

This compensation is designed to benefit both WIC and your FP.

You can view maximum commissions per product type in the FP Compensation Disclosure (see Section 9).

## **WIC Conflicts**

*Neither WIC nor your FP receives any portion of the Revenue Sharing, Custodian, or Cash Sweep Program compensation.*

### **Business Affiliation Conflicts (N/A)**

### **FP Conflicts**

This conflict arises from compensation received by your Financial Professional (FP). These forms of compensation are in addition to the commissions your FP may receive.

#### **Rollovers/Transfers:**

You can rollover or transfer assets from a qualified retirement account—such as a 401(k) plan or IRA—into another IRA. Be aware:

- This may increase the ongoing cost of assets in the new account.
- Your FP's compensation could increase as a result.
- Additional products or services may be offered.

The Firm has established a special process and requirements to assist you and your FP in evaluating whether a rollover is in your best interest.

WIC maintains policies and procedures to ensure that all recommendations serve your best interest. Additionally, WIC:

- Maintains a supervisory structure to monitor Financial Professional activity.
- Works to reduce potential conflicts of interest.

You're encouraged to ask your FP or the Firm about any conflict of interest that may arise. For more information, you can also contact the Firm at: **(516) 593-5070**

Please note:

Not all the conflicts described in this Brochure will apply to your specific FP or their services. Products offered, compensation received, and potential conflicts may change over time.

#### **We strongly encourage you to:**

- Ask your FP any questions you may have regarding compensation or conflicts.
- Understand how these conflicts may affect your FP's recommendations.
- Evaluate the potential incentives that could influence your FP's advice.

## **Section 8: Conclusion**

We hope this Brochure has improved your understanding of WIC and your FP, specifically regarding the material facts surrounding the scope and terms of your current or future relationship with us.

If you have any questions now or in the future about anything discussed in this Brochure, please don't hesitate to reach out to either your FP or our team.

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## **Section 9: Index**

Please see the attached FP compensation Disclosure.

## Compensation Grid

In the following Compensation Grids, the Commission Percentage listed is the maximum compensation received by WIC Financial Professionals associated with WIC receive less compensation than the percentage listed.

### Mutual Funds:

Your Financial Professional (FP) receives a percentage of the following sales and trail commissions when you purchase an A or C class mutual fund.

A sales commission is a sales charge paid by you based on the mutual fund you purchase. A trail commission (trail or 12b-1 trail) is an ongoing fee paid by the mutual fund sponsor for each year that you hold that mutual fund investment.

Mutual Fund A Share Purchase Amount	Commission Percentage
Less than \$25,000	5.0%
\$25,000 to \$49,999	4.5%
\$50,000 to \$99,999	4.0%
\$100,000 to \$249,999	3.5%
\$250,000 to \$499,999	2.5%
\$500,000 to \$749,999	2.0%
\$750,000 to \$999,999	1.5%
\$1 Million and above	1.0%

Mutual Fund C Share Purchase Amount	Commission Percentage
All Purchase Amounts	1.0%

Mutual Fund A & C Share Assets	Commission Percentage
Equity Mutual Fund A Shares	0.25%
Fixed Income Mutual Fund A Shares	0.25%
C Shares	1.0%

**Note:** This applies to 529 plan investment commissions as well.

## Annuities:

Your FP receives a percentage of the following sales and trail commissions when you purchase a B share class annuity. Your FP will be able to select from different commission options and the commissions vary based on your age, but your expense ratio in the annuity contract will be the same no matter what commission option your FP chooses.

A sales commission is a sales charge paid by you based on the annuity contract you purchase. A trail commission is an ongoing fee paid by the annuity sponsor (insurance carrier) for each year that you hold the annuity contract.

### Variable Annuities B Share Class

Owner Issue Age	Option A Commission	Option B Commission	Option C Commission	Option D Commission	Option E Commission
0-80	7.0% Sales / 0% Trail	5.5% Sales / 0.25% Trail	4.5% Sales / 0.50% Trail	3.5% Sales / 0.75% Trail	2.0% Sales / 1.0% Trail
81-85	3.5% Sales / 0% Trail	2.5% Sales / 0.25% Trail	1.75% Sales / 0.50% Trail	1.0% Sales / 1.0% Trail	
86+	1.75% Sales / 0% Trail	1.25% Sales / 0.25% Trail	0.50% Sales / 0.50% Trail		

### Variable Annuities C Share Class

Owner Issue Age	Commission
0-80	1.0% Sales / 1.0% Trail
81-85	0.5% Sales / 0.50% Trail
86+	0.5% Sales / 0.50% Trail

### (IOVA) Investment Only Variable Annuities

Owner Issue Age	Option A Commission	Option B Commission	Option C Commission	Option D Commission	Option E Commission
0-80	6.0% Sales / 0% Trail	5.25% Sales / 0.40% Trail (Starting at month 61)	3.5% Sales / 0.50% Trail	1.25% Sales / 1.00% Trail	4.5% Sales / 0.25% Trail (Month 13-60) / 0.50% trail month 61+
81-85	3.0% Sales / 0% Trail	2.5% Sales / 0.40% Trail (Starting at month 61)	1.75% Sales / 0.50% Trail	1.0% Sales / 1.0% Trail	
86+	1.5% Sales / 0% Trail	1.1% Sales / 0.25% Trail	0.75% Sales / 0.50% Trail	0.50% Sales / 1.0% Trail	

### **Variable Life Insurance**

When you buy variable life insurance, your FP determines their sales commission based on the target premium of the contract and they will receive a percentage of that commission. Your FP cannot go over 100% of the target premium when determining the commission.