



## BNY Mellon Securities Corporation – Form CRS Relationship Summary

---

BNY Mellon Securities Corporation (BNYMSC) is dually registered with the Securities and Exchange Commission (SEC) as a broker-dealer and investment adviser. Brokerage and investment advisory services and fees differ and it is important that you understand these differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://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 and investment advisory services to retail investors.

#### Our brokerage services

*Accounts:* We offer different types of brokerage accounts to retail investors. Services and features vary depending on the type of account you establish, and can include: (i) a platform where you can purchase and sell securities, (ii) ongoing customer service, and (iii) optional features such as check writing and dividend reinvestment. We have retained an affiliated clearing broker for our brokerage accounts to provide recordkeeping and operational services, including execution and settlement of transactions, custody of securities and delivery of account statements and trade confirmations. Available account types include non-retirement (e.g., individual/joint) and retirement (e.g., traditional and Roth IRAs). We also offer a self-directed account (SDA) option within employee benefit plans.

Our brokerage accounts allow you to buy and sell a wide variety of securities products, including mutual funds, exchange traded funds (ETFs), stocks and bonds. In an SDA, however, the scope of available products is determined by the administrator. In addition, uninvested cash balances are swept into a proprietary money market fund managed by an affiliate or an FDIC-insured money market deposit account at a banking affiliate, depending on the type of account you establish, which results in compensation to us and/or our affiliates. **You make the ultimate decision regarding the purchase and sale of investments in your brokerage account.**

*Recommendations:* Our financial professionals in designated business units, in their capacity as broker-dealer registered representatives, can make recommendations to you about transactions in securities products, the type of account to establish and/or transferring assets to a brokerage account with us. However, they can only recommend products from a limited menu, consisting of proprietary public (e.g., mutual funds and ETFs) and private funds managed by our affiliates, and non-proprietary variable and index annuities issued by, and held at, certain unaffiliated insurance companies. The nature of the recommendations provided by a registered representative, as well the types of accounts and/or products recommended, will vary (and may be further limited) depending on the specific business unit through which the registered representative operates. All recommendations we and our financial professionals provide to you will be made in our respective broker-dealer and registered representative capacities unless we expressly state otherwise at the time of the recommendation. **None of our registered representatives are authorized to recommend individual stocks, bonds or non-proprietary funds.**

*Account monitoring and minimums:* We do not monitor your investments. Some of our brokerage accounts require a minimum deposit to open and/or are subject to fees for failure to maintain a minimum balance or activity level. The products we offer may separately require a minimum investment amount or require you to meet certain qualification criteria, which are described in those products' offering documents.

#### Our investment advisory services

*Proprietary wrap program:* We offer a proprietary wrap program, the BNY Mellon Managed Asset Program ("MAP"), in which clients may invest in: (i) a mutual fund portfolio where clients select from a limited group of proprietary and non-proprietary mutual funds ("Mutual Fund Series"), (ii) equity strategies through separately managed accounts managed on a discretionary basis, including by us ("Customized Investment Series") or (iii) municipal bonds through a separately managed account managed on a discretionary basis by an affiliate ("Municipal Bond Series"). In the Customized Investment and Municipal Bond Series, accounts are managed consistent with the stated investment objectives and restrictions specified

by the client and pursuant to the terms of a client agreement. In the Mutual Fund Series, we provide non-discretionary investment services only, which means that you make the ultimate decision regarding the purchase and sale of the mutual funds in your portfolio.

*Third-party wrap programs:* We sub-advise separate account portfolios and provide model portfolios for wrap programs (collectively, “Wrap Programs”) sponsored by third parties (“Program Sponsors”). In a traditional Wrap Program, we have discretionary authority in the client’s account consistent with client-specified investment restrictions and pursuant to the terms of the agreement with the Program Sponsor and/or client. In model portfolio Wrap Programs, we provide model portfolios to the Program Sponsor, who then executes transactions on behalf of the clients. We do not have discretionary trading authority over client accounts in model portfolio Wrap Programs.

Because we are compensated through asset-based fees, you will pay more in fees the more assets you have in your account. We may therefore have an incentive to encourage you to increase the assets in your account.

*Account monitoring and minimums:* We monitor investments in traditional Wrap Programs on a weekly and quarterly basis by verifying compliance with investment restrictions and monitoring investment performance. We also monitor client investments in MAP at daily, quarterly and/or annual intervals, which frequency will vary based on the series you have chosen. We do not monitor investments in model portfolio Wrap Programs. For MAP, varying minimum investment amounts are required depending on the strategy selected. We do not impose account minimums in third party Wrap Programs, although the Program Sponsors may do so.

### ***Additional information***

For more detailed information about our brokerage services, please refer to: (i) the account applications, account agreements, enrollment forms, supplemental disclosures and/or client brochures applicable to our brokerage accounts and (ii) additional disclosure documents applicable to our relevant business units that provide recommendations to retail customers titled “*Important Disclosures About Our Services and Conflicts of Interest*” (“Important Disclosures”). The account applications and account agreements for our BNY Mellon Brokerage Account are available by clicking the Brokerage Account Forms tab at <https://im.bnymellon.com/us/en/individual/resources/account-access-forms.jsp#accountforms>. The *Important Disclosures* document for BNY Mellon Advisor Services (“Advisor Services”), one of our business units, is available at <https://im.bnymellon.com/us/en/documents/imwebdocs/account-form/annual/additional-disclosure.pdf>. For more detailed information about our advisory services, please refer to our Form ADV Part 2A (Firm Brochure) and our ADV Part 2A-Appendix 1 (Wrap Fee Program Brochure), which can be found at <https://adviserinfo.sec.gov/firm/brochure/231>.

Consider asking our financial professionals the following:

- 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?**

#### Brokerage

*Commissions and other transaction-based fees:* You will typically pay a commission when you purchase and sell securities in your brokerage account, although no commission will be assessed for certain transactions (e.g., no transaction fee (NTF) funds). The commission amount will vary based on the security type and/or transaction size. Transactions in fixed income securities where we act as principal will be subject to a markup or markdown rather than an explicit commission charge. You would be charged more when there are more trades in your account, and we may therefore have an incentive to encourage you to trade often.

*Other fees and costs:* Other common fees and costs that you may pay in a brokerage account include: (i) a redemption fee on sales of NTF funds not held for a specified time period, (ii) low balance and inactive account fees, (iii) an annual retirement account fee and (iv) margin interest if you elect to trade on margin. In addition, when you purchase a mutual fund, annuity or other pooled investment vehicle (e.g., private fund), you will pay the applicable fees and expenses of those products.

## Advisory

*MAP:* You will pay us an inclusive wrap fee based on a percentage of assets under management that includes most transaction costs and fees and is therefore higher than a typical asset-based advisory fee. This fee is assessed quarterly.

*Third party Wrap Programs:* The Program Sponsor will generally charge you an inclusive “wrap” fee based on a percentage of assets under management and will typically pay us a portion of that fee. With respect to “dual contract” third party Wrap Programs where you have separate agreements with us and the Program Sponsor, you may pay us our advisory fee directly. The wrap fee includes most transaction costs and fees and is therefore higher than a typical asset-based advisory fee. The Program Sponsor will provide you information about the wrap fee and how frequently it is assessed.

The more assets there are in your account, the more you will pay in fees. Thus, we may have an incentive to encourage you to increase the assets in your account.

*Other fees and costs:* When you purchase a mutual fund in the Mutual Fund Series, you will bear a portion of the underlying fees and expenses of the fund.

## ***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. For more detailed information about the fees and costs associated with our brokerage services, please refer to the commission and fee schedule applicable to the brokerage account you are considering. For more detailed information about the fees and costs associated with our advisory services, please refer to our Firm Brochure and Wrap Fee Program Brochure.

Consider asking our financial professionals the following: “Help me understand how 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 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 make money may create 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:

1. Proprietary products: We and our affiliates provide services to the proprietary products we offer. We and our affiliates receive compensation when you purchase these products, which encourages us recommend them to you. We and our affiliates generally receive higher levels of compensation from proprietary products than non-proprietary products.
2. Revenue sharing and third-party payments: When we recommend a non-proprietary annuity to you, we are compensated by the issuing insurance company. We and our affiliates also receive compensation from the non-proprietary funds in the Mutual Fund Series for services provided to these funds, which encourages us to recommend them to you.

Consider asking our financial professionals the following: “How might your conflicts of interest affect me, and how will you address them?”

## ***Additional information***

For more detailed information about our conflicts of interest, please refer to the *Important Disclosures* document applicable to the business unit making the recommendation to you; our Firm Brochure; and our Wrap Fee Program Brochure.

## **How do your financial professionals make money?**

Our financial professionals who make recommendations are compensated in different ways, depending on the product you purchase and the business unit through which they operate. Below is a brief overview of how they are compensated.

Salary: Our financial professionals typically receive a base salary.

Sales compensation: Certain of our financial professionals receive upfront sales compensation based on a fixed percentage of the purchase amount. Other professionals receive compensation paid over time based on a percentage of the revenue we or our affiliates receive from your investment in a product. The compensation rate may vary based on the product category or within a category. Commissions are paid by us (not you). These payments can incentivize our financial professionals to make recommendations to you, recommend certain products over others or encourage you to remain invested.

Discretionary compensation: Certain of our financial professionals may receive periodic discretionary compensation based on a variety of factors, such as achievement of overall corporate/business unit and individual performance goals, and actual sales production during the period. While this compensation is discretionary, it may incentivize our financial professionals to make recommendations to you.

Non-cash compensation: Certain of our financial professionals may receive non-cash compensation from sponsors of non-proprietary mutual fund funds offered in MAP, typically in the form of an occasional meal or other type of business entertainment. This may incentivize our financial professionals to recommend these products to you.

Ongoing compensation: Our financial professionals who offer MAP receive a percentage of the investment advisory fee paid to us. Such compensation may be paid to the professional for the duration of your participation in MAP. This provides an incentive for our professionals to recommend MAP and to encourage you to remain invested.

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

Yes. Please visit [Investor.gov/CRS](https://investor.gov/crs) for a free and simple search tool to research us and our financial professionals.

Consider asking our financial professionals the following: “As a financial professional, do you have any disciplinary history? For what type of conduct?”

**Where can I get additional information?**

You can find additional information about our brokerage and investment advisory services in the documents referenced throughout this relationship summary. You can request up-to-date information as well as a copy of our relationship summary by calling us at 1-800-843-5466, and you can view a copy of our relationship summary at <https://im.bnymellon.com/us/en/documents/manual/account-forms/5dcrs.pdf>.

Consider asking our financial professionals the following: “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?”

**Effective Date: June 30, 2020**