



## FAMILY INVESTORS COMPANY RELATIONSHIP SUMMARY

Dated: June 10, 2020

### **ITEM 1: INTRODUCTION**

Family Investors Company (“Family Investors” or the “Firm”) is registered as a broker-dealer with the Securities and Exchange Commission (“SEC”) and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. SEC regulations require that broker-dealers like us provide you with a Relationship Summary that describes our services, fees, conflicts of interest, disciplinary history and other important information. Brokerage and investment advisory services and fees differ, and it is important for retail investors to understand the 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.

### **ITEM 2: RELATIONSHIPS AND SERVICES**

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

We offer brokerage and financial planning services to help clients meet their long-term financial goals through cost-effective investment strategies. We will work with you to create a unique investor profile and make recommendations based on your financial needs and investment objectives.

In general, we recommend investments in mutual fund companies and annuities, and offer brokerage accounts with different features that can help meet your retirement, education, and other savings goals. We also work with clients to evaluate their insurance needs for life insurance products, disability insurance and long-term care. While we do permit clients to buy and sell stocks, bonds and other securities in their accounts with us, we generally do not make recommendations regarding investments other than mutual funds and annuities.

All of our brokerage services are “non-discretionary,” which means that you make the ultimate decision whether to buy, sell or hold the investments in your account. While we may voluntarily review your investments at no additional cost to you, we do not actively monitor your accounts on an ongoing basis unless we agree with you to do so in writing. We do not have a minimum deposit requirement to open an account, although certain mutual fund companies and annuities we offer may have minimum investment requirements.

*Additional information is available at <https://www.familyinvestors.com/products-services/>*

**Conversation Starters: 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?**

### **ITEM 3: FEES, COSTS AND CONFLICTS OF INTEREST**

*What fees will I pay?*

**Commissions and Sales Loads:** A commission is a fee you pay for each transaction in your account. When you purchase mutual fund shares, instead of a commission you will often pay a “sales load” in an amount that varies among funds and fund share classes. Commissions are negotiable and vary due to the amount and type of investment you make, but will generally not exceed 5.75%. Because you would be charged more when there are more trades in your account, the Firm may have an incentive to recommend that you buy and sell often. We encourage you to discuss this with your financial professional, including ways that the Firm looks for opportunities to reduce your investment fees and costs.

**Account Maintenance Fees:** If you open a brokerage account with us, our clearing agent will charge you an annual fee, applied on a monthly basis, for the maintenance of your brokerage account. Our clearing agent shares a portion of that fee with us.



## FAMILY INVESTORS COMPANY RELATIONSHIP SUMMARY

Dated: June 10, 2020

**Third Party Product Fees:** Mutual fund and annuity companies charge you for expenses, management, and other internal fees, as described in the offering materials for such investments. We do not receive any portion of these fees, but you should understand that they proportionally reduce the value of your investment.

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. *Additional information is available in account opening materials, offering documents and other investment-specific disclosure materials that we will provide you with our recommendations.*

**Conversation Starter: 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 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 we provide you. Here is an example to help you understand what this means:

**Third Party Payments:** Mutual funds pay us for servicing your investment and distributing shares of the fund at an amount that ranges from 0.25% to 1.00% of the fund's net assets. Because these fees may vary, the Firm may have an incentive to only offer mutual funds that agree to pay more than others.

*Additional information about conflicts of interest is available in the disclosure materials we will provide to you with the specific investments we recommend.*

**Conversation Starter: How might your conflicts of interest affect me, and how will you address them?**

*How do your financial professionals make money?*

Our financial professionals are compensated through sharing in commissions, sales loads, and 12b-1 fees received by the Firm. In addition, our financial professionals receive an annual payout based on their level of production at a percentage that increases at certain thresholds.

### **ITEM 4: DISCIPLINARY HISTORY**

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

No. For additional information, you can visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research Family Investors and our financial professionals.

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

### **ITEM 5: ADDITIONAL INFORMATION**

You can find additional information, including current copies of this Relationship Summary at [www.familyinvestors.com](http://www.familyinvestors.com) or by calling (908) 322-1800.

**Conversation Starter: 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?**