

# MHL INVESTMENTS

## REGULATION BEST INTEREST: FORM CRS

### Is the Establishment of a Securities Brokerage Relationship Right For You?

There are different ways you can get help with your investments. You should carefully consider which types of securities brokerage relationships and services are right for you.

**We are a broker-dealer and provide brokerage services rather than advisory accounts and services. Our firm is affiliated with a registered investment advisory firm, and is a separate legal entity and separately regulated by the U.S. Securities and Exchange Commission.** This document gives you a summary of the types of services we provide and how you pay. Please ask us for more information. There are some suggested questions on the final page below.

#### Relationships and Services.

- We don't open brokerage accounts as is generally understood in the securities industry. Rather we sell as agent, mutual funds on a subscription basis and variable insurance products. In both of these instances we will assist you in purchasing the mutual funds and variable products directly from the fund or insurance carrier, respectively. Notwithstanding, you will pay us a **transaction-based fee**, generally referred to as a commission, every time you purchase or sell any of the above.
- Additionally, we offer as agent private placement securities. That is generally illiquid, unregistered securities. If you establish a relationship with our firm as an investor, which we refer to as a customer, in a private placement offered by our firm on behalf of an issuer of securities, we generally would not charge you a fee, as it is the issuer who will generally pay us a **transaction-based fee**, most often referred to as a commission, every time a private placement transaction closes. Such fee would be based on a percentage of the funds we raised from you and, if applicable, other investors. You should be aware that whether directly or indirectly, a part of the funds you invest in a private placement may be used by the issuer to pay some or all of our fee. You should confirm with the issuer directly and also refer to the private placement documentation you are provided to further ascertain how your funds shall be used by the issuer.
- With respect to private placement securities, as a customer (an investor) the ultimate investment decision as to your investment strategy and the purchase or sale of investments will be yours.
- You may select investments or we may recommend investments to you, but the ultimate investment decision as to your investment strategy and the purchase or sale of investments will be yours.
- We can offer you additional services to assist you in developing and executing your investment strategy and monitoring the performance of your investments but you might pay more.

#### Our Obligations to You. *We must abide by certain laws and regulations in our interactions with you.*

- We must act in your best interest and not place our interests ahead of yours when we recommend an investment or an investment strategy involving securities. When we provide any service to you, we must treat you fairly and comply with a number of specific obligations. Unless we agree otherwise, we are not required to monitor your portfolio or investments on an ongoing basis.
- Our interests can conflict with your interests. When we provide recommendations, we must eliminate these conflicts or tell you about them and in some cases reduce them.

#### Fees and Costs. *Fees and costs can affect the value of your investment over time. Please ask your registered representative to give you personalized information on the fees and costs that you will pay.*

- With regard to mutual funds and variable products, the fee you pay is based on the specific transaction and not the value of your portfolio.
- With regard to private placements, our firm does not have one specific fee but rather a range of fee percentages depending upon our agreement with an issuer of securities (a client). This range can also include a sliding scale of fees charged to the client on a pro rata basis depending upon the amount of funds raised on the client's behalf. As stated above, we do not normally charge fees to investors in private placements.
- With mutual funds, this fee (typically called a "**load**") reduces the value of your investment.
- Investments such as mutual funds and variable products impose additional fees that may 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.
- Our fees vary and are negotiable. The amount you pay will depend, for example, on how much you buy or sell, or what type of investment you buy or sell.
- Depending upon your specific investments we may charge you additional fees. Please ask us about these potential fees.
- The more transactions in your account, the more fees we charge you. We therefore have an incentive to encourage you to engage in transactions.

#### Compare with Typical Advisory Accounts.

You could also open an advisory account with an **investment adviser**, where you will most likely pay an ongoing **asset-based fee** that is based on the value of the cash and investments in your advisory account. Features of a typical advisory account include:

- Advisers provide advice on a regular basis. They discuss your investment goals, design with you a strategy to achieve your investment goals, and regularly monitor your account.

- You can choose an account that allows the adviser to buy and sell investments in your account without asking you in advance (a "**discretionary account**") or the adviser may give you advice and you decide what investments to buy and sell (a "**non-discretionary account**").
- Advisers are held to a fiduciary standard that covers the entire investment advisory relationship. For example, advisers are required to monitor your portfolio, investment strategy and investments on an ongoing basis.
- If you were to pay an asset-based fee in an advisory account, you would pay the fee periodically even if you do not buy or sell. You may also choose to work with an investment adviser who provides investment advice for an hourly fee, or provides a financial plan for a one-time fee.
- For an adviser that charges an asset-based fee, the more assets you have in an advisory account, including cash, the more you will pay the adviser. So the adviser has an incentive to increase the assets in your account in order to increase its fees.
- You can receive advice in either type of account, but you may prefer paying:
  - ✓ an asset-based fee if you want continuing advice or want someone to make investment decisions for you, even though it may cost more than a transaction-based fee; and/or
  - ✓ a transaction-based fee from a cost perspective, if you do not trade often or if you plan to buy and hold investments for longer periods of time.

#### INVESTMENT MONITORING SERVICES

Our firm does not open accounts per se, but may upon request monitor your investments made through our firm. We offer a limited selection of investments. Other firms could offer a wider range of choices, some of which might have lower costs.

#### Conflicts of Interest. *We benefit from our recommendations to you.*

- We can make extra money by selling you certain investments, potentially because they are offered by companies that pay our firm to sell their investments. Your financial professional also receives more money if you buy these investments.
- We may from time to time have an incentive to offer or recommend certain investments, such as certain mutual fund families or specific insurance carriers, because the manager or sponsor of those investments shares with us revenue it earns on those investments.

#### Additional Information. *We encourage you to seek additional information.*

- We currently do not have legal and disciplinary events.
  - Visit Investor.gov for a free and simple search tool to research our firm and our financial professionals. For additional information about our registered representatives and services, visit Investor.gov, BrokerCheck (BrokerCheck.Finra.org), and our web site: <https://mhleblang.com>
- To report a problem to the SEC, visit Investor.gov or call the SEC's toll-free investor assistance line at (800) 732-0330. Call 301-590-6500 to report a problem to FINRA. If you have a problem with your investments, account or financial professional, contact us in writing at Everspire Plaza, 6900 S. 900 E., SUITE 200, Midvale, UT 84047. You may call us at 801-545-8706

#### Key Questions to Ask. *Ask our financial professionals these key questions about our investment services and accounts.*

1. Given my financial situation, why should I choose a brokerage relationship with your firm?
2. Do the math for me. How much would I pay per year for a typical brokerage relationship with your firm? What would make those fees more or less? What services will I receive for those fees?
3. What additional costs should I expect in connection with my investments?
4. As an investor in a private placement should I expect to be charged a direct fee by your firm?
5. Tell me how you and your firm make money in connection with my investments.
6. Tell me how you and your firm make money in connection with my engagement with your firm in my capacity as an investor in private placement securities?
7. Do you or your firm receive any payments from anyone besides me in connection with my investments?
8. What are the most common conflicts of interest at your firm? Explain how you will address those conflicts when providing services to my account.
9. What are the most common conflicts of interest in your private placement offerings as they respect me, as an investor in private placement securities? Explain how you will address those conflicts when providing services.
10. How will you choose investments to recommend to me?
11. How often will you monitor my investments and make further recommendations?
12. Do you or your firm have a disciplinary history? For what type of conduct?
13. 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.
14. Who is the primary contact person responsible for the client or customer relationship with your firm? What can you tell me about his or her legal obligations to me? If I have concerns about how this person is treating me, who can I talk to?