

Whether you are already a valued client or are just getting to know us, it is important that you understand the types of account services available to you at Century Securities Associates, Inc. (“Century”).<sup>2</sup> Century is a broker-dealer and an investment adviser registered with the Securities and Exchange Commission (“SEC”).

Brokerage and advisory services and fees differ. It is important that you understand the differences, which are summarized below. We encourage you to seek additional information. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](http://Investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

To help you get more information about our services, you will find “Conversation Starters” in each section below that you should ask our financial professionals, in addition to any other questions you wish to ask.

## ► What investment services and advice can you provide me?

We offer both **brokerage** and investment **advisory** services to retail investors.<sup>3</sup>

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Our **brokerage services** include buying and selling securities, such as stocks, bonds, mutual funds, options, or other investment products.

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- From time to time or upon your request, we may recommend that you buy, sell, or hold particular investments, or present an overall investment strategy for you to consider.
- Though we are here to help, you take the lead in a brokerage relationship.
- Unless we state otherwise in writing, we will not make any investment decisions for you and it remains your responsibility to monitor your brokerage account and the performance of your investments.
- When we make a recommendation for your brokerage account (including a recommendation to open a brokerage account or transfer assets from another account to a brokerage account), we are acting in our capacity as a broker-dealer.
- We do not have any account minimums to open a brokerage account (but certain investment products and programs may be subject to certain minimums).
- Our affiliate, Stifel, Nicolaus & Company, Incorporated (“Stifel”), will provide clearing, custodial, and related services to your brokerage account.

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Our **advisory services** include advice on buying, selling, and holding investments, as well as developing and choosing investment strategies.

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- We offer clients access to various investment advisory programs sponsored by Stifel.
- You can access “discretionary” advisory programs (where Century, Stifel, or a separate investment manager buys and sells investments without asking you in advance for so long as you are enrolled in the program) and “non-discretionary” advisory programs (where we provide you with recommendations, but you make the ultimate decision about whether to follow them).
- As your investment adviser, we monitor your advisory program accounts periodically; where applicable, Stifel, as program sponsor, will provide performance reports pursuant to any agreements with you.
- When we provide you with advisory services (including a recommendation to open an advisory account or transfer assets to an advisory account), we are acting in our capacity as an investment adviser.
- You must meet certain investment minimums to open and maintain an advisory account in the advisory programs. Current account minimums and descriptions for each available program are described in our Form ADV Part 2A disclosure brochures, which can be accessed at [www.stifel.com/disclosures/investment-advisory-services/program-disclosures](http://www.stifel.com/disclosures/investment-advisory-services/program-disclosures).
- Not all of our representatives are licensed to offer advisory services.

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<sup>1</sup>This disclosure is provided to comply with the SEC’s Form CRS and Regulation Best Interest disclosure requirements as effective on June 30, 2020, as well as those under the Investment Advisers Act of 1940. It does not create or modify any agreement, relationship, or obligation between you and Century or your independent representative. Please consult your account agreements for all terms and conditions controlling your account and relationship with us.

<sup>2</sup>As used in this document, Century Securities Associates, Inc. is referred to as “Century,” “we,” “our,” and “us.”

<sup>3</sup>Retail investor” is a natural person, or the legal representative of a natural person, who receives or seeks to receive services primarily for personal, family, or household purposes. You are not a retail investor if you use our services primarily for purposes other than personal, family, or household purposes.

Whether you invest with us through our brokerage or advisory services, you will have access to the Stifel platform, which is not limited to particular asset classes, proprietary investments, or to investments that result in the receipt of third-party compensation. However, certain investment categories are limited to those for which Stifel, as platform sponsor, receives third-party compensation or proprietary products. Many of the investments we sell, including in particular, mutual funds, variable annuities, and cash sweep options, are ones for which Stifel or our other affiliates receive third-party compensation.

## CONVERSATION STARTERS:

- 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?

In **brokerage**, you will pay us a “commission” or other “transaction-based” fee for each transaction that is executed.

- Some investments may include additional compensation to us in the form of an upfront fee (commonly called a “load”) and/or a continuing fee that is charged as long as you hold the investment (commonly called a “trail”).
- We do not carry products in our inventory, but we can offer you products out of Stifel’s inventory, or buy a security from you for Stifel’s inventory.
- In those cases, Stifel is acting in a “principal” capacity and marks up the price you pay, or marks down the price you receive, on securities that it sells to you or buys from you, which benefits Stifel and indirectly benefits us.
- Because we are compensated for each investment transaction in your brokerage account, we have an incentive to encourage you to trade more frequently and in greater amounts.
- Our clearing firm, Stifel, also charges additional fees, such as custodial, account maintenance, transfer, and administrative service fees.
- For a list of Stifel fees and to understand the specific fees you may pay, please refer to [www.stifel.com/feeschedule](http://www.stifel.com/feeschedule).

In **advisory**, instead of transaction-based fees, you will typically pay Stifel an “asset-based” fee at the beginning of each quarter.

- Asset-based fees are calculated as a percentage of the assets (including cash) in your advisory account.
- This fee can vary based on the type of investments selected. For example, an equity-based portfolio will have different advisory fees when compared to a fixed income portfolio.
- The more assets you have in an advisory account, including cash, the more you will pay to us in fees. We therefore have an incentive to recommend that you increase the assets in your account. Note, however, we also offer an advisory program with a transaction-based fee structure (instead of an asset-based fee); however, the investments available through this program are significantly restricted.
- In certain circumstances, we may agree to a flat dollar fee for our advisory relationship with you, payable at once or in installments (such as monthly or quarterly). If you negotiate fees with different tiers, including flat fees, you may end up paying a higher fee than as set forth in our advisory disclosure brochures as a result of fluctuations in the amount of your assets under management/advisement and account performance.
- Unless we agree otherwise, our advisory fees will automatically be deducted from your custodial account at Stifel and will therefore reduce the value of your account.
- For some advisory accounts (known as “wrap fee” programs), the asset-based fee includes most transaction costs and custody services, and as a result, the fees are typically higher in these types of advisory accounts compared to advisory accounts where these transaction costs and custody services are not included. In these types of advisory accounts, the fee does not include transaction fees for transactions effected through broker-dealers other than Stifel, or the other excluded costs set out in the section “Other Fees and Expenses Not Included in the Advisory Account Fee” of our Form ADV Part 2A disclosure brochures, available at [www.stifel.com/disclosures/investment-advisory-services/program-disclosures](http://www.stifel.com/disclosures/investment-advisory-services/program-disclosures). If you choose to invest in advisory accounts that are not part of a program where the asset-based fee includes most transaction costs and custody services, you will pay a transaction fee whenever an investment is purchased or sold and you will also pay custodian fees.

In both brokerage and advisory accounts, certain investments, for example mutual funds and variable annuities, impose additional fees that will reduce the value of your investment over time, or surrender charges if you sell the investment before you hold it for a specified time period. These fees are disclosed in the investment's prospectus or other offering document that will be provided to you at or about the time of your investment.

Additionally, fees we and/or Stifel receive from third parties in connection with certain products available in brokerage and advisory accounts, including, for example, unit investment trusts, may be higher than those for other investment products. These higher fees may create an incentive for us to recommend higher cost products to you.

You will pay fees and costs whether you make or lose money on your investments. Fees and costs reduce the amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. For additional information, please see [www.stifel.com/relationshipguide](http://www.stifel.com/relationshipguide), [www.stifel.com/disclosures/investment-advisory-services/program-disclosures](http://www.stifel.com/disclosures/investment-advisory-services/program-disclosures), and [www.stifel.com/disclosures](http://www.stifel.com/disclosures).



### CONVERSATION STARTERS:

- 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 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 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.

### *Examples of Ways We Make Money and Conflicts of Interest*

**Proprietary Products:** Our firm and affiliates earn greater fees, compensation, and other benefits if you invest in a product that our affiliates advise, manage, sponsor, underwrite, or otherwise provide services to, such as mutual funds, exchange traded funds, unit investment trusts, private funds (such as hedge funds and private equity funds), structured products, separately managed accounts, and cash sweep or similar products.

We have an incentive to offer or recommend these products because of the compensation we and our affiliates receive.

**Third-Party Payments:** We and/or Stifel receive payments from third-party product sponsors and managers (or their affiliates) when we recommend or sell certain products. We have an incentive to recommend or to invest in products of third parties who pay us these fees over other products of third parties that do not pay us these fees or those that pay us less.

**Revenue Sharing:** Certain investment managers and sponsors (or their affiliates) share with us and/or Stifel the revenue they earn from you when you invest in certain of their investment products (primarily mutual funds and variable annuities). We have an incentive to recommend or invest your assets in these products or with these sponsors and fund managers over others that share less or no revenue with us.

**Principal Trading:** When we can offer you products out of Stifel's inventory, or buy a security from you for Stifel's inventory, Stifel marks up the price you pay, or marks down the price you receive, on securities that it sells to you or buys from you. These markups and markdowns benefit Stifel and indirectly benefit us, and Stifel receives other benefits when it trades with you on a principal basis. We have an incentive to recommend securities that Stifel holds in its inventory so that Stifel can trade with you on a principal basis.

**Bank Sweep Program:** As a client, you have access to cash sweep programs maintained by our affiliate, Stifel. Our affiliates earn additional compensation from cash deposited under the cash sweep programs with either our affiliated banks or third-party banks that pay for the use of the cash deposits. This creates an incentive for us, as an affiliate, to recommend investments that result in cash being invested through the cash sweep programs. For additional information, please see [www.stifel.com/disclosures/sweep-choices/sweep-choices-disclosure](http://www.stifel.com/disclosures/sweep-choices/sweep-choices-disclosure).

**Buying Investments on Margin:** If your account has been approved for margin privileges, you may choose to borrow money from the clearing firm, Stifel, to pay for a portion of the price of securities that you purchase. The clearing firm charges you interest on the amount of money you borrow from them, and loans permit you to purchase additional investments, increasing our commissions and transaction-based compensation. This creates an incentive for us to encourage you to trade on margin.



## CONVERSATION STARTERS:

- How might your conflicts of interest affect me, and how will you address them?

## ▶ How do your financial professionals make money?

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Our financial professionals are compensated based upon a percentage of advisory fees and commissions and other transaction-based fees received from our clients. As a general rule, a financial professional's total cash compensation increases as the revenue he or she generates increases, which creates an incentive for your financial professional to recommend transactions, products, and services that generate higher revenue over those that generate lower revenue in order to increase his or her compensation from us.

Some financial professionals are eligible for special incentive compensation and other benefits based on the amount of client assets and the total revenue generated by accounts they cover. These incentives and benefits can be in the form of, for example, annual recognition programs that confer a variety of benefits, conferences (e.g., for education, networking, training, and personal and professional development), and other forms of noncash compensation that generally increase in value as the revenue your financial professional generates increases.

These benefits create an incentive for a financial professional to recommend certain transactions, products, and services over others in order to obtain these benefits.

Financial professionals also receive non-cash compensation and other benefits from companies that provide investment products on the Stifel platform. Such non-cash compensation includes invitations to attend conferences or educational seminars sponsored by product sponsors and their affiliates, payment of related travel, lodging, and food expenses, and occasional gifts, meals, tickets, or other entertainment or sponsorship support of educational or training events (which include educational events financial professionals arrange for clients and prospects). These benefits can create a conflict of interest to recommend one product over another.

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

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



## CONVERSATION STARTERS:

- As a financial professional, do you have any disciplinary history? For what type of conduct?

## ▶ Additional Information

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In addition to the information provided here, we encourage you to seek out additional information. For additional information regarding our financial professionals and services, please visit [Investor.gov/CRS](https://investor.gov/CRS), FINRA's BrokerCheck website at [brokercheck.finra.org](https://brokercheck.finra.org), Century's website at [centurysecurities.com](https://centurysecurities.com), Stifel's website at [stifel.com](https://stifel.com), and your account agreement.

For additional information regarding our advisory services, please see Century's Form ADV Part 1 and Part 2A on IAPD, on [Investor.gov](https://investor.gov), or on Stifel's website at [www.stifel.com/disclosures/investment-advisory-services/program-disclosures](https://www.stifel.com/disclosures/investment-advisory-services/program-disclosures), in addition to any brochure or supplementary materials provided by your financial professional. For additional information about our brokerage services, please see [www.stifel.com/disclosures](https://www.stifel.com/disclosures).

If you have a problem with your account(s), investments, or financial professional, or if you would like an up-to-date copy of this relationship summary, you can contact us toll-free at (800) 488-7994 or Stifel Client Services toll-free at (800) 679-5446.



## CONVERSATION STARTERS:

- 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?