

**Client Relationship Summary**  
**McDermott Investment Services, LLC**  
**May 26, 2020**

**McDermott Investment Services, LLC** is registered with the Securities and Exchange Commission and FINRA as a broker-dealer and is a member of SIPC. Brokerage and investment advisory services and fees differ and it is important for you to understand the differences.

This document is a summary of the services and fees we offer to retail investors which are natural persons who seeks or receives securities services primarily for personal, family, or household purposes. Additionally, 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 and [brokercheck.finra.org](http://brokercheck.finra.org) which provides pertinent facts including disciplinary history about member firms and individual registered representatives.

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

We offer the following brokerage services, accounts and investments to *retail investors*:

Buying and Selling Securities, Securities and Investment Strategy Recommendations, Brokerage Accounts, Retirement Plans, Mutual Funds, Equities, Exchange-traded Funds, Fixed Income and Municipal Securities, Limited Partnerships, Options and Insurance Products, and Direct Participation Programs.

If you open an investment account with our firm, as part of our standard service we will not monitor your investments on a regular basis. Your financial professional may voluntarily review account holdings from time to time, but these reviews are not an account monitoring service.

For parameters of the services, accounts and investments listed above, please refer to disclosures on our website [WWW.MCDERMOTTADVISORS.COM](http://WWW.MCDERMOTTADVISORS.COM).

**Key Questions to Ask Your Financial Professional**

- ✓ **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?**

**What fees will I pay?**

The principal fees and costs associated with engaging our firm for brokerage services include: Commissions and charges on a per transaction basis in our brokerage accounts. Commissions based on the products sold. The more trades you place, the more commission we charge thus, we might have an incentive to encourage more trading.

In addition to our principal fees and costs, there are other fees/costs related to our brokerage services that include:

Product-level fees	Clearing firm fees (charged on a per transaction basis)
<ul style="list-style-type: none"><li>▪ Mutual Fund Fees- including deferred sales charges, sales load fees</li><li>▪ Variable Annuity Fees- including surrender charges</li></ul>	<ul style="list-style-type: none"><li>▪ Securities Transactions Charges</li><li>▪ SEC Fees</li><li>▪ Transfer Fees</li><li>▪ Custody Fees</li><li>▪ Inactivity Fees</li></ul>

*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 detailed information regarding our fees, refer to the disclosures on our website [WWW.MCDERMOTTADVISORS.COM](http://WWW.MCDERMOTTADVISORS.COM).

### **Key Questions to Ask Your Financial Professional**

- ✓ **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 are some examples to help you understand what this means.

- **Principal Trading:** We can buy investments from you, and sell investments to you, from our own accounts (called "**acting as principal**"), **but only with your specific approval on each transaction.** We can earn a profit on these trades, so we have an incentive to encourage you to trade with us.
- **Dual Registration:** Some persons providing advice on behalf of our firm may be dually registered as both a registered representative of our broker dealer, as well as an investment advisor representative of a registered investment adviser. These individuals receive compensation in connection with the purchase and sale of securities or other investment products. Compensation earned is separate and in addition to advisory fees or broker dealer fees depending on the capacity that the individual is acting. This practice presents a conflict of interest since these individuals have an incentive to recommend investment products based on the compensation received rather than solely based on your needs.
- **Limited Investment Offerings:** Our brokerage services and recommendations cover a limited selection of investments. Other firms could provide a wider range of choices.
- For brokerage accounts, the more trades you place, the more commissions we charge thus we have an incentive to encourage more trading.
- Registered representatives providing securities recommendations may be licensed to as an independent insurance agent.

### **Key Question to Ask Your Financial Professional**

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

**How do our financial professionals make money?**

The financial professional servicing your account(s) are compensated through commissions which can vary depending on the products sold.

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

Yes. Disclosures for our firm or our financial professionals can be found by going to [Investor.gov/CRS](http://Investor.gov/CRS).

### **Key Questions to Ask Your Financial Professional**

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

You can find additional information about our brokerage services and request a copy of the relationship summary at 610-882-1460 or by visiting the disclosure section at our website [WWW.MCDERMOTTADVISORS.COM](http://WWW.MCDERMOTTADVISORS.COM).

### **Key Questions to Ask Your Financial Professional**

- ✓ **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?**