

Correll Co. Investment Services Corp.

Regulation Best Interest Disclosure

Introduction

Correll Co. Investment Services Corp. (CCISC) is registered with the U.S. Securities and Exchange Commission (SEC) as a broker-dealer. We are also a member of the Financial Industry Regulatory Authority, Inc. (FINRA) and the Securities Investor Protection Corporation (SIPC).

We work through our financial professionals, sometimes known as registered representatives or brokers, to provide investment products, securities and services in exchange for transaction-based fees - neither CCISC nor your financial professional are acting as a registered investment advisor in our relationship with you. Your financial professional's ability to help you with some types of investment products and securities may be limited by their current licensing.

This disclosure is designed to summarize important information about the investment products, securities and services we offer. It details material conflicts of interest that might arise. We encourage you to review this information, as well as all agreements and disclosures we provide to you, before you decide to invest with us. Please see our *Form CRS - Customer Relationship Summary* for additional information.

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Section 1: Investment Accounts

CCISC offers three types of investment accounts: brokerage, direct-to-mutual-fund-company, and direct-to-insurance-company. These can be used to establish many different types of account registrations including, but not limited to, individual, joint, custodial, estate, trust, corporate, partnership, Individual Retirement Account (IRA), 401(k), profit sharing and pension.

Brokerage

We have entered into an agreement with Hilltop Securities Inc. (our clearing firm) to hold brokerage accounts for our customers and to provide certain back office functions. The allocation of responsibilities between CCISC and our clearing firm can be found in the *Hilltop Securities Inc. Customer Information Brochure*.

The brokerage accounts offered by CCISC are cash accounts - we are not licensed to offer margin accounts. In a cash account, securities and product purchases must be paid for in full at the time of the transaction.

When you establish a brokerage account through CCISC, you have the ability to buy, sell and hold many types of securities and investment products in your account. You can purchase, sell and hold equity securities, debt securities, certificates of deposit, mutual funds and exchange-traded funds.

We facilitate transactions in the account as directed by you. We charge you a ticket charge on each buy and sell transaction within your account. If you buy or sell a mutual fund through a brokerage account, you will pay a ticket charge in addition to management fees charged by the mutual fund. You may also pay a commission on the purchase of a mutual fund.

You will pay fees for various operational services provided to you through a brokerage account. Some types of brokerage accounts have minimum account activity requirements and/or minimum on-going balance requirements. Your account may be charged an annual fee if these minimums are not met. These fees are set at least annually and communicated to you through information included in your account statement or other notifications. Current account fees can be found in the *Hilltop Securities Inc. Customer Information Brochure*.

Our brokerage accounts include a sweep feature. This feature enables you to earn a return on non-invested cash in your account. Non-invested cash is automatically invested, or swept, into a Federal Deposit Insurance Corporation (FDIC) insured deposit account, or other option you select at the time you open the account. More information about this feature can be found in the *Hilltop Securities New Account Application*.

Certain securities may grant you valuable rights that may expire if you don't take action. These include warrants, purchase rights, convertible securities, etc. You are responsible for knowing the rights and terms of all securities in your account.

Overselling or prohibited actions inside of your account may result in your account being restricted. You can find more details in the *Hilltop Securities Inc. Customer Information Brochure*.

While there is no minimum initial account balance required to open a brokerage account with us, we may close your account should you not fund it, or if you do not provide certain required documentation.

It is important to note that while a brokerage account can be a beneficial way of investing, it is not for everyone.

Direct-to-Mutual-Fund-Company

We have selling agreements with many mutual fund families. Through these agreements, we are able to offer you the ability to purchase, sell and hold shares in mutual funds managed by the fund family. We do not charge you a separate fee for this service.

You can establish many different types of registrations as listed previously. Some of the registration types may incur certain fees. These fees, if applicable, are detailed in the product's prospectus. Other fees may include, but are not limited to, account maintenance fees, minimum balance fees, IRA fees, wire fees, and account transfer fees should you decide to close your account. These fees are in addition to the fund expenses and are detailed in the prospectus for the product.

The cost for this path of investment is less than purchasing mutual funds through a brokerage account since there are no ticket charge fees on trades when an account is held directly with a mutual fund family.

It is important to note that while a direct mutual fund relationship can be a beneficial way of investing, it is not for everyone.

Direct-to-Insurance-Company (Variable Annuity)

We have selling agreements with many insurance companies. Through these agreements we are able to offer you the ability to purchase, sell and hold units in a variable annuity. Your investment is made into a portfolio of sub-accounts whose values fluctuate similar to mutual funds.

Variable annuities offer a unique way to invest that may afford additional benefits such as tax-deferral of investment gains and other optional benefits that can be selected at the time of purchase. These additional benefits come at a cost. You must weigh the additional costs of these benefits to ensure it is an appropriate option for you given your unique situation.

You can establish many different types of registrations as listed previously. Some of the registration types may incur certain fees. These fees, if applicable, are detailed in the product's prospectus. Other fees may include, but are not limited to, account maintenance fees, minimum balance fees, IRA fees, wire fees, and account transfer fees should you decide to close your account. These fees are in addition to the variable annuity's expenses and are detailed in the prospectus for the product.

It is important to note that while a direct variable annuity relationship can be a beneficial way of investing, it is not for everyone.

Section 2: Recommendations

Any recommendations made by CCISC and our financial professionals are required by laws, regulations and rules to be in your best interest, considering reasonably available alternatives, and based on your stated investment objective (see below), risk tolerance (see below), liquidity needs, time horizon, financial needs, tax situation, and other financial information that you provide. You may accept or reject any recommendation.

All recommendations made by CCISC and your financial professional are incidental to the sale of the product, security or service offered. Recommendations may include buying, selling, or holding securities and products, as well as a recommendation to rollover assets from a retirement plan to an IRA. Neither CCISC nor our financial professionals are acting in a fiduciary capacity in making such recommendations.

It is your responsibility to monitor the investments in your account and we encourage you to do so regularly. Neither CCISC nor our financial professionals provide on-going monitoring of the investments in your account.

You may receive, as a courtesy to you, additional information about your investments from time to time. This information might include educational material, sales material, performance information, consolidated reports or account review documentation. This additional information is not designed to be a specific recommendation about any security or product you hold, and should not be considered as a recommendation to trade or to hold a specific security or product. Upon your request, CCISC or your financial professional can review any information provided to you and make recommendations, but we are not under a specific obligation to do so. The absence of additional information is not a recommendation to hold a specific product or security.

Investment Objective: The investment objective you have for your account is unique to you and to the type of account you have with us. We consider objectives as falling into one of four categories:

Capital Preservation	To protect the initial investment and minimize the potential for principal loss.
Income	To provide current income rather than long-term growth of principal.
Growth	To increase in value accepting higher volatility and potential principal loss.
Speculation	To potentially achieve higher-than-average gains assuming higher risk of loss.

Risk Tolerance: It is important to understand risk in general, especially the risk that you could lose your entire amount invested. Certain investments involve more risk than others. Different securities, products and strategies involve different degrees of risk. In general, the greater the expected return of a product or strategy, the greater the risk that you may lose some or all of your investment.

Investment Objective	Risk Tolerance	Risk Tolerance Definition
Capital Preservation	Low or Conservative	Investors who want no loss of principal and therefore accept returns that may not keep pace with inflation.
Income or Growth	Low or Conservative	Investors who generally want to preserve their initial principal but desire to keep pace with inflation.
	Moderate	Investors who are generally willing to accept some risk of loss of principal, and will tolerate some volatility, to obtain modest income or growth.
	High or Aggressive	Investors who are willing to accept higher risk of loss of principal, and higher volatility, to seek higher growth.
Speculation	High or Aggressive	Investors willing to bear the full risk of the loss of principal, accepting high volatility, for the possibility of higher than average growth.

Since our recommendations to you are based, in part, on your investment objective and risk tolerance, we encourage you to carefully consider where your objectives and tolerances lie to ensure our recommendations are appropriate for you. Additionally, should your objectives or tolerance change, you should notify us so that we can work with you to ensure your investments and strategies are still meeting your objectives and are within your tolerances.

Section 3: Compensation

CCISC receives direct and indirect compensation in connection with your account. Direct compensation is taken directly from your account. Indirect compensation is compensation paid in ways other than directly from your account and may impact the value of the associated investment in your account. Below are descriptions of the compensation we may receive.

Equity Securities: Equity securities are available only through a brokerage account. We collect a ticket charge fee at the time of purchase or sale on equity securities (see Brokerage.) A percentage of the ticket charge is paid to your financial professional in recognition of the service they provide to you.

Debt Securities: Debt securities are available only through a brokerage account. We collect a ticket charge fee at the time of purchase or sale on debt securities (see Brokerage.) A percentage of the ticket charge is paid to your financial professional in recognition of the service they provide to you.

Certificates of Deposit (CD): CDs are available only through a brokerage account. We collect a mark-up fee, not a ticket charge fee, at the time of purchase. A percentage of the mark-up is paid to your financial professional in recognition of the service they provide to you.

Exchange-Traded Funds (ETF): ETFs are available only through a brokerage account. We collect a ticket charge fee at the time of purchase or sale on ETFs (see Brokerage.) A percentage of the ticket charge is paid to your financial professional in recognition of the service they provide to you.

Mutual Funds: Mutual funds are available both in a brokerage account and directly through mutual fund companies with which we have selling arrangements. Under these arrangements, we may receive commissions from the mutual fund company for the sale of the product and 12b-1/shareholder servicing fees (trails) based on the ongoing value of your account. Commissions and trails paid to us vary by share class and mutual fund company. You will find a description of the fees and charges in the product's prospectus. The fees may be paid, in part or in whole, to us. We pay a percentage of the

fees to your financial professional in recognition of the service they provide to you. If you purchase a mutual fund through a brokerage account, you will also pay a ticket charge (see Brokerage.)

Variable Annuities: Variable annuities are available directly through insurance companies with which we have selling arrangements. Under these arrangements, we may receive commissions from the insurance company for the sale of the product and 12b-1/shareholder servicing fees (trails) based on the ongoing value of your account. Commissions and trails paid to us vary by product and insurance company. You will find a description of the fees and charges in the product's prospectus. The fees may be paid, in part or in whole, to us. We pay a percentage of the fees to your financial professional in recognition of the service they provide to you.

Front-End Sales Charge Fees: Front-end sales charge fees may be charged by a product sponsor when you make a purchase. The front-end sales charge is deducted from the initial investment. You will find a description of the fees and charges in the product's prospectus. The fees may be paid, in part or in whole, to us. We pay a percentage of the fees we receive to your financial professional in recognition of the service they provide to you. Some purchases may qualify for a reduced front-end sales charge due to breakpoint discounts based on the amount of the transaction or your rights of accumulation as detailed in the product's prospectus. In addition, some purchases may qualify for a sales charge waiver based on the type of account and/or certain qualifications within the account. You should talk to your financial professional if you believe you are eligible for a sales charge reduction or waiver.

12b-1/Shareholder Servicing Fees (trails): Annual 12b-1/shareholder servicing fees, also known as trails, are charged by the product sponsor and paid out of product assets. These distribution and servicing fees cover distribution expenses and shareholder servicing expenses that we provide on the product sponsor's behalf. Shareholder servicing fees are fees paid to us to respond to investor inquiries and provide investors with assistance. The fees are asset-based and are charged by the product sponsor to the product. You will find a description of the fees and charges in the product's prospectus. We pay a percentage of the fees we receive to your financial professional in recognition of the service they provide to you.

Contingent Deferred Sales Charges (CDSC) Fee: A CDSC fee is a charge upon withdrawal of money from a product prior to the end of the product's CDSC period. This fee typically exists only on investments that do not have a front-end sales charge. The existence of a CDSC fee, the amount of the fee and length of the period will depend on the product purchased. You will find a description of the fees and charges in the product's prospectus. A CDSC is not paid to us or to your financial professional.

Termination of Services: We do not charge a fee to terminate your account. You may incur IRA termination fees, account transfer fees, or other fees as described in the product's prospectus or account opening documentation. We may receive a portion of these fees. We do not pay any of these fees to your financial professional.

Section 4: Conflicts of Interest

CCISC offers a broad range of investment products, securities and services from which we receive various forms of compensation as described previously. Securities laws, regulations and rules allow for us and our financial professionals to earn such compensation when we provide these investment products, securities and services to you.

A conflict of interest is a situation where our interests may be materially averse to your interests and may occur as the result of certain compensation arrangements. These arrangements may create an incentive for us or our financial professionals to recommend investment products, securities and services that may generate larger fees than other investment products, securities and services. The presence of a potential conflict of interest, however, does not imply that harm to you or your interest will occur.

We are required by SEC Regulation BI and other laws, regulations and rules to establish, maintain and enforce policies and procedures reasonably designed to address these conflicts of interest. Below you will find additional information related to our potential conflicts of interest - this is not intended to be an all-inclusive list, but generally describes the conflicts that are material.

Transaction-Based Conflicts of Interest: Buy and sell transactions in a brokerage account are charged a ticket charge (see Brokerage.) This may create an incentive to recommend buying and selling, rather than holding, investments.

Commission-Based Conflicts of Interest: Purchases of commission-based products generate compensation. This may create an incentive to recommend buying, rather than holding, investments. There may also be an incentive to recommend the purchase of products that carry higher commissions than other products.

Trail-Based Conflicts of Interest: Products with trails (see 12b-1/Shareholder Servicing Fees) generate compensation that is calculated as a percentage of invested assets on an on-going basis. Such compensation comes from expenses charged to the product as detailed in the product's prospectus. There may be an incentive to recommend holding investment products that pay a trail. There may also be an incentive to recommend the purchase of products that carry higher trails than other products.

Additional Compensation Conflicts of Interest: Invitations may be given to attend educational meetings with product sponsors. Attendance at these events may be at the expense of the product sponsor and include services to assist in

identifying potential customers. The invitation to attend these meetings is not dependent on, nor is it related to, the value of your investments with that product sponsor, but it may be an incentive to recommend a specific sponsor's products.

Product Share Classes Conflicts of Interest: Some product sponsors offer multiple structures of the same product (e.g., mutual fund share classes), each option having a unique expense structure. There may be an incentive to make available those share classes or other product structures that will generate higher compensation.

Additional Financial Professional Conflicts of Interest: Our financial professionals are subject to a tiered compensation payout schedule with the payout percentage increasing as certain levels are obtained. As a result, they may have an incentive to provide recommendations that result in selling more investment products and services and/or those investment products and services that may generate higher fees. An incentive may exist to make recommendations in such a way as to reduce the amount of discounts available when purchasing certain products (see Front-End Sales Charge Fees.) There may also be an incentive to provide higher levels of service to customers who generate larger fees.

Rollover Conflicts of Interest: Financial professionals may also have an incentive to recommend the rollover of assets from existing retirement plans to an IRA in order to generate commissions. We have additional policies and procedures in place designed to ensure that any rollover recommendation is in your best interest.

We are committed to taking appropriate steps to identify, mitigate and avoid these and other conflicts of interest to ensure your interests are held above those of CCISC and your financial professional in any recommendations they make and we approve.

Section 5: Additional Resources

All documents referenced throughout this disclosure document can be obtained from your financial professional or by contacting us at BD-Disclosures@cciscinvestments.com.

A current copy of this disclosure can be found on our website at www.cciscinvestments.com/Reg-BI.

A current copy of our *Form CRS* can be found on our website at www.cciscinvestments.com/crs.

A current copy of the *Hilltop Securities Inc. Customer Information Brochure* can be found on Hilltop's website at [Correspondent-Customer-Information-Brochure-8-27-2021-Final.pdf \(hilltopsecurities.com\)](http://www.hilltopsecurities.com/Correspondent-Customer-Information-Brochure-8-27-2021-Final.pdf).

Mutual fund prospectuses and other useful information to assist you in determining fund fees and expenses can be found through Fund Analyzer by FINRA at https://tools.finra.org/fund_analyzer.

Variable annuity prospectuses can be found on the website of the respective insurance company.