



March 25, 2024

Customer Relationship Summary

Helping you make an informed decision

Form CRS

Introduction

Cutter & Company Brokerage, Inc. is dually registered with the Securities and Exchange Commission as a broker-dealer and investment adviser. Cutter & Company is also registered with FINRA and is a member of the Securities Investor Protection Corporation.

Brokerage and investment advisory services fees differ, and it is important for the retail investor to understand the differences.

Free and simple tools are available for you to use at [Investor.gov/CRS](https://www.investor.gov/CRS), a website maintained by the SEC. These tools can provide you with educational materials about broker-dealers, investment advisers, and investing.

This relationship summary provides information that helps you make an informed decision about whether to invest with us and will answer the following questions:

- What investment services and advice can you provide me?
- What fees will I pay?
- What are your legal obligations to me when providing recommendations as my broker-dealer, or when acting as my investment adviser? How else does the firm make money and what conflicts of interest do you have?
- How do your financial professionals make money?
- Do you or your financial professionals have legal or disciplinary history?
- Where can I find additional information?

Terms to know

- A **broker-dealer** is a firm that acts as an intermediary between buyers and sellers of securities for which they will usually receive a commission and may purchase or sell those securities in/out of their own account.
- An **investment adviser** is generally any person or group that provides investment advice or conducts securities analysis in exchange for a fee.

What investment services and advice can you provide me?

Cutter & Company offers both brokerage and investment advisory services to retail investors. Cutter & Company has entered into an agreement with two Clearing Agents, First Clearing* and RBC Clearing & Custody (RBC), pursuant to which they provide the brokerage and custodial services, including trading and execution, with respect to the programs. Cutter & Company is not related or affiliated with First Clearing or RBC. Unless otherwise specified, clearing agents will maintain custody of client assets. Clearing agents qualify as “qualified custodians” as described by Rule 206(4)-2 of the Investment Advisors Act.

*First Clearing is a trade name used by Wells Fargo Clearing Services, LLC, Member SIPC, a registered broker-dealer and non-bank affiliate of Wells Fargo & Company.

We offer many securities products, including, Stocks, Bonds (corporate/municipal/government and agency), Mutual Funds, ETFs, UITs, Brokered Certificates of Deposit, Securities and Non-Securities related Insurance Products, Private Placements and Alternative Investments. More general information about firm history, services, and employees can be found at www.cutterco.com.

Conversation Starters - Ask your financial professional:

- 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?

Brokerage Services

If you establish a brokerage account with us, you will pay transaction-based fees where commission will be added to the cost of any purchase or subtracted from sales proceeds.

We may recommend investments for you, but you will make the ultimate investment decision regarding the investment strategy and the purchase or sale of investments.

As a broker, your financial professional is under no obligation to review your account holdings on an ongoing basis; they will, however, periodically contact you to determine if your financial situation or goals have changed so they may continue to make appropriate and suitable recommendations for you.

As a brokerage client you can expect to receive written confirmation of each purchase or sale in your account and an account statement on at least a quarterly basis.

There is no minimum amount required to open a Cutter & Company brokerage account, but specific administration fees may apply, which could cause your financial professional to turn away smaller accounts. For more information about fees that may apply to a brokerage account please see the Account Service Fees at www.cutterco.com//legal-information.

Investment Advisory Services

If you open an advisory account, you will pay us an on-going asset-based fee based on the value of cash and investments in the advisory account. The on-going asset-based fee will be deducted from your account once each calendar quarter in January, April, July and October. You may also have the option of hourly fees or a flat annual retainer in lieu of the assets under management.

You have the option of authorizing your financial professional, in writing, to use their discretion to manage your assets without asking you in advance to review or approve each transaction.

Your Cutter & Company financial professional reviews your account on an ongoing basis and assists you in developing your investment strategy by discussing your financial situation and investment goals in detail. Your Cutter & Company financial professional will meet with you (in person or by phone) to discuss any updates/changes in your financial profile that might affect your investment strategy.

You will typically not receive notification of every transaction (but may opt in to receive them). You will receive periodic performance reports from your financial professional and account statements monthly (quarterly if no activity).

There is typically a substantial minimum deposit required to establish an advisory relationship. Additional information can be found in the Form ADV, Part 2 brochure supplied by our financial professional at www.cutterco.com//legal-information. When you establish an investment advisory account with us, we perform the services listed above but on a more comprehensive basis.

What fees will I pay?

Regardless of which type of service you choose at Cutter & Company, Inc., you will pay fees, commissions, and other costs as applicable, whether you make or lose money on your investments. Fees, commissions, and costs will affect the value of your account over time. You should discuss fees, commissions, and other applicable costs in detail with your Cutter & Company financial professional to make sure you understand all the expenses and costs you will pay for their services and for the investments or investment plan they recommend.

Conversation Starters – 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?

Brokerage Services Fees

If you open a brokerage account, you will pay a transaction-based fee. The more you trade, the more you will pay in fees. A portion of that fee will be shared with your financial professional.

You will pay us a fee every time you buy or sell an investment. The fee, commonly referred to as a commission, is based on the specific transaction and not the value of your account.

With stocks or exchange-traded funds, this fee is usually a separate commission. With other investments, such as bonds, this fee might be part of the price you pay for the investment (called a “mark-up” or “mark-down”). With mutual funds and variable annuities this fee

(typically called a “load”) reduces the value of your investment.

If your financial professional recommends mutual funds, you must review the prospectus for the recommended funds with them to determine whether any additional administrative fees or costs may affect the value of your investments over time.

Commissions are negotiable and may vary depending on the complexity of the transaction. Discuss the commission for every transaction with your financial professional as you review each of their recommendations.

Specific administration fees may also apply to brokerage accounts, depending on the services you use. Examples of fees include but are not limited to IRA custodian fee, inactivity fee, postage-handling, check-writing fee, physical stock certificate fee and more. See account service fees at www.cutterco.com/legal-information.

Investment Advisory Services

If you open an advisory account, you will pay us an on-going asset-based fee based on the value of cash, margin balance (if applicable) and investment in the advisory account.

You will pay an on-going fee each calendar quarter based on the value of the case and investments in your advisory account. A portion of that fee will be shared with your financial professional.

For some advisory accounts, called wrap fee programs, the asset-based fee will include most transaction costs and custody service, and as a result wrap fees are typically higher than non-wrap advisory fees.

If your financial professional recommends mutual funds, you must review the prospectus for the recommended fund with him or her to determine whether any additional administrative fees or costs may affect the value of your investment over time.

The amount paid to our firm and your financial professional generally does not vary based on the type of investments recommended or selected buy may vary between financial professionals. You must discuss fees in detail with your financial professional prior to entering into any advisory program.

From a cost perspective, you may prefer a transaction-based fee if you do not trade often or if you plan to buy and hold investments for longer periods of time. For a full discussion on our various advisory programs and the fees for each, please see our Form ADV, Part 2A brochure supplied by your financial professional at www.cutterco.com/legal-information.

Standard of Conduct

When we provide you with a recommendation as your broker-dealer or act as your investment advisor, we must 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.

When we provide you with a recommendation as your broker-dealer, we are held to a regulatory standard whereby we must 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.

When we act as your investment adviser, we are held to a legal standard whereby we must act as a fiduciary in your best interest and not put our interests ahead of yours. At the same time, the way we make money creates some conflicts with your interest. You should understand and ask us about these conflicts because they can affect the services and investment advice, we provide you. Here are some examples to help you understand what this means.

Conversation Starter - Ask your financial professional

- As a financial professional, do you have any disciplinary history? For what type of conduct?
- Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Whom can I talk to if I have concerns about how this person is treating me?

Examples of Ways We Make Money and Conflicts of Interest

Broker-Dealer Services/Brokerage Accounts

The more transactions in your account, the more commission we charge you. This conflict creates an incentive to encourage you to engage in transactions.

We can buy investments from retail investors and sell investments to retail investors, from our own accounts (called “acting as principal”). We can earn a profit from those trades, and we have an incentive to encourage you to trade with us.

Because of the potential for your Cutter & Company financial professional to generate commissions separate from, or in addition to, fees charged for advisory services, they may have an incentive to recommend brokerage services based on the compensation they will receive rather than taking into account your needs and objectives.

Investment Advisory Services/Advisory Accounts

The more assets you have in the advisory account, including cash and margin balances, the more you will pay us. We therefore have an incentive to increase the assets in your account in order to increase our fees.

Third-party money managers may provide services related to the advisory services that are offered to you. These contracted parties are not affiliated with Cutter & Company; however, they will pay Cutter a portion of the fees you pay to them, we will then share a portion of that fee with your financial professional. The cost of placing your assets with one of these third parties may be higher than placing your assets in one of our own investment management programs.

The recommendation to roll assets from a retirement plan to an IRA managed by your Cutter & Company financial professional, rather than maintaining your assets in the retirement plan may create a conflict of interest. If you are considering funding an advisory program using assets from an existing retirement plan (i.e., rolling over assets) we encourage you to compare the program features and fees against your existing retirement plan.

Do you or your Financial Professionals have Legal or Disciplinary History?

Yes. While our firm does not have a legal or disciplinary history, some of our representatives do. You can visit Investor.gov/CRS for a free and simple search tool to research our firm and your Cutter & Company financial professional or to report a problem to the SEC. You may also report a problem to the SEC by calling the SEC's toll-free investor assistance line at 800-732-0330. Additionally, you can search for information about our firm and financial professionals via FINRA's Broker Check tool at brokercheck.finra.org.

Where can I find additional information?

If you would like additional information about our investment advisory and brokerage services, or to obtain a copy of this form CRS, go to our website at www.cutterco.com/legal-information. To request a hard copy of Form CRS or if you have concerns about your account, please contact us in writing at Cutter & Company, Inc. Attn: Compliance Department 15415 Clayton Rd., Ballwin, MO 63011 or call us at 800-536-8770.