

CNR SECURITIES

CNR Securities LLC Customer Relationship Summary

February 1, 2022

CNR Securities LLC (“Our”, “we” or “CNRS”) is a broker-dealer registered with the U.S. Securities and Exchange Commission and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. Our brokerage service fees differ from those of our affiliated investment advisory service through City National Rochdale (“CNR”), and it is important for you to understand these differences. To help you understand these differences, free and simple tools are available for you to research firms and financial professionals at [Investor.gov/CRS](https://investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

WHAT INVESTMENT SERVICES AND ADVICE CAN YOU PROVIDE ME?

CNRS offers the brokerage services as described below:

Brokerage Services

As a broker-dealer, we will not recommend securities, but we can effect securities transactions per your direction, including buying and selling securities (e.g., investment funds and products), and provide certain services including financial tools and investor education. More information about our brokerage services is available in our Terms & Conditions Disclosure, and other applicable documents: [CNRS disclosure pages and account terms and conditions »](#)

- **Investment authority:** We do not have discretionary investment authority, which means that we cannot buy or sell investments in your account without first obtaining your consent. We will not recommend investments to you. Consequently, you are responsible for making the decision whether to purchase or sell investments.
- **Limits on investment offerings:** We do not limit our investment offerings to proprietary investments or to a narrow menu of investment funds or products.
- **Account monitoring:** We do not monitor your account(s) unless we separately agree or stipulate in writing that we will monitor on a periodic basis solely for the purpose of providing securities transaction recommendations.
- **Account minimums and other requirements:** We do not have account minimum requirements to open a brokerage account.

Conversation Starters:

Ask your CNRS Representative:

Given my financial situation, should I choose a brokerage service? Why or why not?

How do 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?

For our brokerage services, we are paid each time you trade in your brokerage account. This payment is typically called a “commission” but may also be called a “sales charge” or a “mark-up”. The commission rate or amount varies, depending on the investment and the size or amount of the transaction. Because we are compensated for each transaction, we have an incentive to encourage you to trade more frequently, in greater amounts, because we receive more revenue when you do so. 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. In addition, certain investments, such as mutual funds and unit investment trusts, or products such as 529 college savings plans (“529 plans”) bear ongoing costs which you pay indirectly because they are factored into the cost of the investment. Below is information about costs you will pay if you choose to purchase or trade certain investments:

Investments

- **Equities:** You pay a commission every time you buy or sell an equity, such as a stock of a publicly-traded company.
- **Bonds:** You pay a “mark-up” (or commission) every time you buy or sell a bond, such as a corporate, government or municipal bond.
- **Mutual funds:** You pay an up-front sales charge or load when you buy shares in most mutual funds. Mutual funds have internal fees and expenses (such as management fees and service fees) charged on an ongoing basis for as long as you hold the investment. Certain mutual funds also deduct fees such as 12b-1 fees from fund assets that are paid to your advisor.
- **Closed-end funds and interval funds:** You pay a sales charge when you buy shares in a closed-end fund or interval fund’s initial offering, or a commission if you buy and sell shares in a closed-end fund in a secondary trading market. Closed-end funds and interval funds also deduct other ongoing fees and expenses, such as management fees, from fund assets.
- **Exchange Traded Products (“ETPs”):** You pay a commission every time you buy or sell shares of an ETP. ETPs also deduct other fees and expenses, such as management fees, from ETP assets and are included in the fund’s expense ratio.
- **Unit Investment Trusts (“UITs”):** You pay a sales charge when

you buy shares in a UIT's initial offering or a commission when you buy or sell shares in a UIT in a secondary trading market. UITs also deduct other fees and expenses from fund assets, such as operating costs.

- **Real Estate Investment Trusts ("REITs"):** You pay a commission when you buy shares in a REIT's initial offering or buy or sell shares in a REIT in a secondary trading market. REITs also deduct other fees and expenses from REIT assets.
- **Private placement funds, including hedge funds, fund of funds and private equity funds:** You pay a placement fee in addition to an ongoing trail.

More information about investment fees and costs is available at: [CNRS disclosure pages and account terms and conditions »](#)

Investment products

- **529 plans:** You pay an up-front sales load when you purchase a 529 plan. 529 plans also deduct other ongoing fees and expenses, including account maintenance fees and management fees, including for underlying investments. For some 529 plans, no-load and/or F share class are available, for which you pay an ongoing management fee to the broker instead of an up-front sales load. More information about 529 plan fees and costs are available by asking your investment professional.
- **Description of other fees and costs:** In addition to the foregoing investment fees, you also pay certain fees associated with your brokerage account, including custodial fees as well as fees for certain services that you select, such as wire transfers or a termination or transfer fee when you instruct us to close your brokerage or transfer your account to another broker-dealer.

Conversation Starter:

Ask your CNRS Representative:

Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much goes to fees and costs, and how much is invested for me?

WHAT ARE YOUR LEGAL OBLIGATIONS TO ME WHEN PROVIDING RECOMMENDATIONS AS MY BROKER-DEALER? HOW ELSE DOES YOUR FIRM MAKE MONEY AND WHAT CONFLICTS OF INTEREST DO YOU HAVE?

We will not recommend securities, but when we effect securities transactions or provide services, 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 service recommendations we provide to you. Here are some examples to help you understand what this means.

- **Third-party payments:** CNRS receives payments from third-party product sponsors and managers or their affiliates when we sell certain products. This creates an incentive for us to recommend these products over others.
- **Revenue sharing:** CNRS does participate in revenue sharing. CNRS may effect securities transactions on behalf of clients of our affiliated investment adviser, City National Rochdale, and collect a service or transaction fee. CNRS' clearing broker charges CNRS a fee on each transaction and credits back a portion to CNRS once CNRS meets trading thresholds. As a result, CNRS has an incentive to receive orders so that CNRS

can receive these credits.

For further details on these conflicts, please see the CNRS Terms & Conditions Disclosure and other applicable documents at:

[CNRS disclosure pages and account terms and conditions »](#)

Conversation Starter:

Ask your CNRS Representative:

How might your conflicts of interest affect me and how do you address them?

HOW DO YOUR FINANCIAL PROFESSIONALS MAKE MONEY?

Our financial professionals earn a salary and may earn a bonus based on a variety of factors. Our financial professionals do not earn fees or any non-cash compensation based directly on sales of securities to your account. The bonus program for our financial professionals is based on the performance of the firm and its affiliated investment adviser, City National Rochdale. As the amount of commissions that clients generate increases, the revenue earned by the firm increases. This creates an incentive for us to encourage trading in your account.

CNRS executes orders through Pershing, its clearing firm platform. Clients may pay higher or lower commissions had CNRS executed the order through other broker-dealers. Similarly, Clients may receive better or worse order executions.

Please see the CNRS Terms and Conditions for more detailed disclosures regarding these conflicts of interest at:

[CNRS disclosure pages and account terms and conditions »](#)

DO YOU OR YOUR FINANCIAL PROFESSIONALS HAVE LEGAL OR DISCIPLINARY HISTORY?

Yes. Please visit Investor.gov/CRS for a free and simple search tool to research us and our financial professionals.

Conversation Starter:

Ask your CNRS Representative:

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

ADDITIONAL INFORMATION

For additional information about our services, or to obtain a copy of this Customer Relationship Summary, please visit www.cnr.com. To request up-to-date information, the latest Customer Relationship Summary, or a hard copy of materials that are hyperlinked above, contact us at 800-926-1647 or in writing at 400 Park Ave., New York, NY 10022.

Conversation Starter:

Ask your CNRS Representative:

Who is my primary contact person? Are they 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?