

# Customer Relationship Summary

## Mutual of Omaha Investor Services, Inc.

Form CRS Customer Relationship Summary September 20, 2023

### INTRODUCTION

Mutual of Omaha Investor Services, Inc. ("MOIS") is registered with the Securities and Exchange Commission as both a broker-dealer and an investment adviser and is a member of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investor Protection Corporation ("SIPC"). Brokerage and investment advisory services and fees differ and it is important for you to understand these differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://www.investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

### WHAT INVESTMENT SERVICES AND ADVICE CAN YOU PROVIDE ME?

We offer both brokerage and investment advisory services to retail investors.

#### **BROKERAGE SERVICES**

Our **brokerage** services include buying and selling securities as an introducing broker-dealer through Pershing LLC ("Pershing"), the clearing firm for MOIS brokerage accounts. Pershing is responsible for the execution, clearing and recording of transactions; preparing confirmations and statements for your accounts; and acting as the custodian for your assets. MOIS offers exchange traded products (e.g., stocks, exchange traded funds, fixed income securities, etc.), mutual funds, and unit investment trusts ("UITs") through brokerage accounts.

In addition to brokerage services, MOIS offers products through direct relationships with product sponsors. Direct (a.k.a. "non-brokerage") investments available through MOIS include mutual funds, variable insurance products, 529 plans, and retirement products (e.g., 401(k) plans, 403(b) plans, SEP IRAs, Simple IRAs, Individual(K) plans, etc.). Direct investments and accounts are referred to as "non-brokerage" throughout this document.

Your financial professional will gather information regarding your financial profile to assist you with identifying your risk tolerance and investment objectives. Your financial professional can provide investment recommendations to you to select the appropriate investment(s) or product(s) for your account. In addition, your financial professional can make ongoing recommendations to adjust or re-allocate your investments.

MOIS has no account minimums or other special requirements for retail investors to open or maintain an account. MOIS does not monitor retail investors' investments in brokerage or non-brokerage accounts.

MOIS does not accept discretionary authority for brokerage or non-brokerage accounts.

Investments made through MOIS are limited to only products and services that have been approved by MOIS. Therefore, products available outside of MOIS could be more appropriate based on your specific needs.

#### **ADVISORY SERVICES**

Our **advisory** services include financial planning services (e.g., comprehensive financial plans, financial plan reviews, consultations, and ongoing financial planning services), managed account services, and retirement plan services. Managed account services are offered through unaffiliated third-party money manager relationships and accounts sponsored by MOIS.

**Third-Party Money Manager Relationships:** MOIS offers advisory services through relationships with unaffiliated third-party money managers offering asset management and other investment advisory services. Your financial professional will assist you with identifying your risk tolerance and investment objectives, and subsequently you can select a recommended asset allocation model based on your needs. You will enter into agreements with MOIS and the third-party money manager, who will manage your assets on a discretionary basis.

**MOIS Managed Account Services:** MOIS has an agreement with a third-party platform provider, Envestnet Asset Management, Inc. ("Envestnet") to provide services, including model portfolios, separately managed accounts, and unified managed accounts managed on a discretionary basis by independent investment advisers. Your financial professional will assist you with determining your risk tolerance and investment objectives prior to making recommendations to you. Advisor as Portfolio Manager ("APM") accounts are managed with limited discretionary authority by MOIS financial professionals. APM accounts may be invested in mutual funds, equities, exchange-traded funds ("ETFs"), or variable annuity sub-accounts.

**Retirement Plan Services:** MOIS offers consulting and advisory services to qualified retirement plans. Advisory services are provided through arrangements with unaffiliated third-party money managers or through Mutual of Omaha Insurance Company's ("Mutual of Omaha") Retirement Services platform.

MOIS has no account minimums or other special requirements for retail investors to open or maintain an account. However, minimum account sizes can be imposed by third-party money managers or Envestnet as disclosed in their Form ADV Part 2A Brochure(s).

Your account will be reviewed by MOIS prior to your initial investment and monitored on an ongoing basis by MOIS and/or the third-party who manages your account.

MOIS advisory services are limited to products and services that have been approved by MOIS. Therefore, products available outside of MOIS could be more appropriate based on your specific needs.

# Client Relationship Summary

Your financial professional is affiliated with Mutual of Omaha as an insurance agent. In his/her separate capacity as an insurance agent, your financial professional can recommend general disability insurance, life insurance, annuities, Medicare supplement insurance, property and casualty insurance, and other types of insurance. Your financial professional will receive commissions for sales of insurance products. Your financial professional can recommend insurance products underwritten by Mutual of Omaha and affiliated companies. In addition to commissions, your financial professional may receive non-cash compensation in the form of sales incentives and trips from the sale of proprietary insurance products of Mutual of Omaha and its affiliates.

**For additional information**, please see the MOIS Customer Agreement you received when you opened your account, the Form ADV Part 2A Brochure (Items 4, 7, and 13), and/or the Retirement Plan Fee Disclosure. These documents can be found at [www.mutualofomaha.com/investments](http://www.mutualofomaha.com/investments) in the “Important Disclosure Information” section. Additional information is available in the applicable product prospectus and/or the third-party money manager’s ADV Part 2A.

**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?

## WHAT FEES WILL I PAY?

### **BROKERAGE FEES**

You will incur various fees, charges, and commissions for activities conducted in your brokerage or non-brokerage account as described below.

**Brokerage Fees:** Brokerage accounts include transaction-based fees, including commissions and sales charges, and ticket charges. You will be charged more when there are more trades in your account. Therefore, MOIS or your investment professional may have an incentive to encourage you to trade more often in your account.

You may be charged other fees for activities in your brokerage account, such as IRA maintenance fees, account transfer fees, and inactive account fees.

**Non-Brokerage Fees:** Non-brokerage accounts through MOIS are held at mutual fund, 529 plan, retirement plan or variable insurance product sponsors.

Fees associated with mutual funds and 529 plans include, but are not limited to management fees, service (12b-1) fees, and up-front or deferred sales charges. Mutual fund and 529 plan fees can vary based on various factors, including share class, product type, and the size of the investment.

Fees associated with variable insurance products, such as variable annuities, include mortality & expense fees, administrative expenses, distribution fees, optional rider fees, surrender fees, and sub-account expenses. Variable annuity fees also vary based on the product and the options elected on the particular investment.

Fees associated with retirement plans can include sales charges, transactional fees, product expenses, service (12b-1) fees, and investment expenses. Retirement plan expenses also vary by retirement plan, plan providers, and the product selected.

### **ADVISORY FEES**

You will incur various fees and charges for activities conducted in your advisory account as described below. Investment advisory fees are based on a percentage of assets you have invested. The more assets in your account, the more you may pay in fees. Therefore, MOIS or your investment professional may have an incentive to encourage you to increase the assets in your advisory account.

**Third-Party Money Manager Fees:** You will pay the third-party money manager compensation for investment advisory services as a percentage of assets you have invested. All fees are calculated and collected by the third-party money manager, who delivers a portion of the fee to MOIS for services performed by your advisor.

**MOIS Managed Account Fees:** You will pay MOIS compensation for advisory services as a percentage of assets you have invested. Additional fees can be charged for accounts managed by independent investment advisers and by Envestnet for their services as the platform manager. All fees are calculated and collected by Envestnet. Our portion of the fee covers services performed by MOIS and your advisor.

**Retirement Plan Services Fees:** Unaffiliated third-party money managers, as well as affiliated and unaffiliated companies receive compensation for advisory services provided as a percentage of assets in the plan. A portion of the fees is subsequently paid to MOIS for services performed by your advisor. In addition, MOIS and your advisor may receive fees for consulting services under a monthly or quarterly arrangement as described in a separate written agreement.

**Other Fees:** Additional fees can be charged by third parties in connection with investments in your account, including but not limited to service (12b-1) fees, variable annuity fees, surrender charges, IRA and retirement plan fees, ticket charges, transaction fees, and other expenses imposed by the custodian of your account. You may also incur fees for financial planning services provided by MOIS and your advisor, which are described in a separate written agreement.

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 additional information**, please see the Form ADV, Part 2A Brochure (Item 5), the MOIS Fee Schedules, the MOIS Customer Agreement you received when you opened your account, and/or the Retirement Plan Fee Disclosure. These documents can be found at [www.mutualofomaha.com/investments](http://www.mutualofomaha.com/investments) in the “Important Disclosure Information” section. Additional information is available in the applicable product prospectus and/or the third-party money manager’s ADV Part 2A.

**Conversation Starter.** 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 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:** MOIS offers 401(k) plans through an arrangement with an affiliated firm. There is a conflict of interest with respect to recommendations for 401(k) plan services through Mutual of Omaha Retirement Services as the affiliate firm will earn additional compensation for assets invested in such plans. In addition, your financial professional may receive non-cash compensation in the form of sales incentives and trips as a result of 401(k) plan sales.

### **Third-Party Payments:**

- 12b-1 fees: MOIS and your financial professional may receive compensation from mutual fund companies, including sales charges, commissions and service fees. Mutual fund compensation varies by product sponsor company, which creates a conflict of interest to recommend products with higher compensation.
- Pershing, LLC: MOIS has an arrangement with Pershing based on the level of assets held in custody. If MOIS does not meet a minimum revenue amount with Pershing, MOIS is charged a specified fee. MOIS may receive a portion of fees you pay for your Pershing account. These fees are described in the Pershing Fee Schedule.
- Envestnet: Envestnet provides payments for operational support provided by MOIS. This presents a conflict of interest for MOIS to recommend sales of Envestnet portfolios.

**Revenue Sharing and Program Fees:** MOIS has entered into arrangements with certain product sponsor companies who offer mutual funds, variable annuities, retirement plans, and advisory services. In addition to sales charges, compensation, and 12b-1 fees, payments are made to MOIS based on the amount of new sales and/or the assets held. This presents a conflict of interest for MOIS to recommend sales of particular products.

**Non-cash Compensation:** Some product sponsor companies make payments to MOIS to support and participate in various promotional activities, including but not limited to sales meetings, conferences and seminars held in the ordinary course of business. In addition, your financial professional may receive reimbursement from a product sponsor company for expenses incurred for attendance at a training or educational event hosted by the product sponsor. Your financial professional may also receive reimbursement from a product sponsor company for expenses associated with business-related expenses (e.g., client appreciation event, seminar, holiday gifts, etc.). The receipt of non-cash compensation from product sponsor companies presents a conflict of interest for MOIS or your financial professional to recommend sales of particular products that provide reimbursement.

Your financial professional may also receive non-cash compensation from Mutual of Omaha in the form of sales incentives and trips resulting from the provision of financial planning and advisory services and the sale of non-proprietary products, including mutual funds, municipal fund securities, annuities, variable life, 401(k) plans, UITs, and exchange-traded products (e.g., equities, ETFs, fixed income securities, etc.). This presents a conflict of interest for your financial professional to recommend particular products or services rather than other financial products or services that could be more appropriate. Non-cash compensation credited to your financial professional may vary based on product type, which creates a conflict of interest to recommend products with higher non-cash compensation rate.

**Insurance Agent:** Your financial professional is affiliated with Mutual of Omaha as an insurance agent and can recommend proprietary insurance products of Mutual of Omaha and its affiliates or non-proprietary products through an affiliate marketing organization. As an insurance agent, your financial professional may receive compensation in the form of sales incentives and trips. This presents a conflict of interest for your financial professional to offer the sale of proprietary insurance products or non-proprietary products through an affiliate marketing organization rather than other financial products that could be more appropriate. In addition, this presents a conflict of interest for MOIS's affiliate companies as they make money from the sale of insurance products.

**Money Market Sweep Funds:** Through Pershing, MOIS offers sweep options in money market funds. MOIS has a conflict of interest by offering money market sweep fund options that pay 12b-1 and service fees to MOIS and Pershing.

**For additional information**, please see the Form ADV Part 2A Brochure, the MOIS Conflicts of Interest Disclosure, the Pershing Fee Schedule, the Retirement Plan Fee Disclosure, and the MOIS Revenue Sharing Disclosure. These documents can be found at [www.mutualofomaha.com/investments](http://www.mutualofomaha.com/investments) in the "Important Disclosure Information" section.

**Conversation Starter.** Ask your financial professional –

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

## HOW DO YOUR FINANCIAL PROFESSIONALS MAKE MONEY?

### BROKERAGE SERVICES

Your financial professional receives a commission for transactions in brokerage or direct accounts (described in the “brokerage services” section above). Your financial professional will receive a percentage of the gross commission that you pay for a particular transaction. Your financial professional’s sales of insurance products offered by Mutual of Omaha Insurance Company and affiliated insurance companies can impact his/her commission rate.

Your financial professional will receive ongoing service fees (i.e., 12b-1 fees) for the sales of certain products (e.g., mutual funds, variable insurance products, 529 plans, retirement products, etc.). The service fee rate is based on the amount of assets held in MOIS accounts assigned to your financial professional that pay service fees.

Your financial professional’s commission and service fee rates can also be impacted by the amount of investment-related commission, service fees, and advisory fees he/she earned during the prior year.

In addition to commission and service fees, your financial professional may receive non-cash compensation from product sponsor companies or Mutual of Omaha as described in the previous section.

### ADVISORY SERVICES

Your financial professional receives fees for advisory services (described in the “Advisory Services” section above). These fees are determined by an agreement established with you and the product sponsor or advisory service platform. Your financial professional will receive a portion of the advisory fees that you pay to MOIS.

Advisory fees are based on a percentage of assets under management. Therefore, when your account balance increases, you will pay a higher fee (and vice versa).

In his or her capacity as an advisor, your financial professional may provide financial planning services or retirement plan consulting services for a fee. Financial planning fees and retirement plan consulting fees paid to MOIS and your financial professional vary based on the nature of services provided.

In addition to commission and service fees, your financial professional may receive non-cash compensation from product sponsor companies or Mutual of Omaha as described in the previous section.

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

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

**Conversation Starter.** Ask your financial professional –

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

## ADDITIONAL INFORMATION

**For additional information about our services,** visit our website at [mutualofomaha.com/investments](https://mutualofomaha.com/investments) or contact your financial professional. If you would like additional, up-to-date information or a copy of this disclosure, please call MOIS Customer Service at 800-228-2499.

**Conversation Starter.** 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?