

Client Relationship Summary

<p>Introduction – Is a brokerage account right for you?</p>	<p>MBS Capital Markets, LLC is registered with the Securities and Exchange Commission (SEC) as a broker-dealer and is a member of the Financial Industry Regulatory Authority (FINRA) the Municipal Security Rulemaking Board (MSRB) and the Securities Investor Protection Corporation (SIPC). MBS Capital Markets is an Investment Banking Firm which specializes in underwriting tax-exempt land secured bonds.</p> <p>A broker dealer is a firm that acts as an intermediary between buyers and sellers of securities for which they receive a transaction fee known generally as a commission or mark-up/mark-down. They may buy or sell those securities in or out of their own account, on an exchange, or directly from an issuer of securities. An investment adviser is a firm that provides investment advice or performs securities research for a fee, as either a percentage of the assets under their management or for a fixed hourly or project rate.</p> <p>Free and simple tools are available to research firms and financial professionals at Investor.gov/CRS which also provides educational materials about broker-dealers, investment advisers, and investing.</p>
<p>What investment services and advice can you provide me?</p>	<p>MBS Capital Markets offers brokerage services to retail and institutional investors. We buy and sell municipal bonds, specifically tax-exempt land secured bonds.</p> <p>We offer our services only on a nondiscretionary basis where you make the ultimate decision to implement our recommendation to buy or sell a security.</p> <p>We impose an investment minimum of \$100,000 to open an account, this requirement may be raised or lowered at management’s discretion depending on circumstances.</p> <p>Additional Information: Please see the terms and conditions within our New Account Form, and, if applicable to you, the Offering Memorandum for a new issue. Please visit www.mbscapitalmarkets.com for information about MBS Capital Market’s experience, licenses, education, and other qualifications</p> <hr/> <p>Ask your financial professional <i>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 licenses, education, and other qualifications? What do these qualifications mean?</i></p>
<p>What fees will I pay?</p>	<p>For new issue underwritings you will pay the underwriting spread, the difference between the price that the bond is offered to the public and price that we purchased it from the issuer.</p> <p>We do not charge commissions. For non-new issue transactions (secondary market), the transaction fee that you pay is part of the price you pay for the investment (called a markup) if you purchase the bond from us, or a markdown when you sell a bond. A markup increases the price that you pay when you purchase a bond or decreases the proceeds that you receive when you sell a bond. Markups / markdowns are determined based on the security involved, the availability in the market, the price of the security to the customer, the profit of the transaction, the risk considerations to the firm, and amount of money involved. Our markup or markdown fees range from .50% to 1.50% of the market price of the bond and an annual account fee of \$200. Pershing LLC is our clearing and custodial firm. We absorb fees and costs implemented by Pershing for our retail accounts.</p>

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	<p>Ask your Financial Professional <i>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?</i></p>
<p>What are your legal obligations to me when providing recommendations?</p> <p>How else does your firm make money and what conflicts of interest do you have?</p>	<p>When MBS Capital provides you with a recommendation, we must act in your best interest and not put our interest ahead of yours. At the same time, the way we make money may create some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the recommendations we provide. Here are some examples to help you understand what this means:</p> <p>For new issues of the tax-exempt land secured bonds we are the underwriter of the bonds that we recommend to you, we earn underwriting compensation (the “spread” see fees above) when you purchase the bonds from us and we reduce the risk of holding the bonds in or inventory.</p> <p>If we sell bonds to you or purchase bonds from you in the secondary market, we charge a markup or mark down on the bond. There is a limited market for comparative pricing. We were the underwriter in most instances.</p> <p>For additional information Please see our Brokerage Account Agreement and the MBS New Account Agreement and review the Offering Memorandum if you are purchasing a new bond issue.</p>
<p>How do your financial professionals make money?</p>	<p>Ask your Financial Professional <i>How might your conflict of interest affect me, and how will you address them?</i></p> <hr/> <p>Our financial professionals are all on a fixed salary. Some receive an annual bonus that is at management’s discretion. Compensation and bonuses are based on firm profits and are not determined by client assets serviced, time and complexity to meet client’s needs, products sold, product sales commissions, or revenue the firm earns from recommendations.</p>
<p>Do you or your financial professionals have legal or disciplinary history?</p>	<p>No. We do not have legal and disciplinary events. Visit Investor.gov for a free and simple search tool to research our firm and our financial professionals.</p>
<p>Additional Information</p>	<p>Ask your Financial Professional <i>As a financial professional, do you have any disciplinary history? For what type of conduct?</i></p>
	<p>Ask your Financial Professional <i>Who is my primary contact person? Is he or she a representative of an investment advisor or a broker dealer? Who can I talk to if I have a concern about how this person is treating me?</i></p>