

Duncan-Williams, Inc. Effective Date June 30, 2020

INTRODUCTION

Duncan-Williams, Inc. (“DWI”) is registered with the United States Securities and Exchange Commission (SEC) as a broker-dealer 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 <http://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?

DWI offers brokerage services to retail investors. Brokerage services allow you to provide us with instructions to buy, sell, or hold your investments. We may also provide you with recommendations about your investments and strategies, including recommendations to buy, sell or hold securities such as stocks, bonds, mutual funds, and other investment products. Whether you select the investments, or we recommend investments and transactions for your account, the ultimate investment decision for your strategy and for the investments you buy, sell or hold is yours. We do not accept discretionary authority in your investment relationship with us, and it remains your responsibility to monitor your brokerage account and the performance of your investments.

We do not limit our products to particular asset classes, proprietary investments or investments that result in the receipt of third-party compensation. However, some of the products we sell and provide (including mutual funds, variable annuities, and cash sweep options) pay third-party compensation to DWI. When we make a recommendation to you, we are acting in the capacity of a broker-dealer. We do not have any account minimums to open a brokerage account; however, certain investment products may be subject to certain minimums. DWI provides its brokerage services under a fully disclosed clearing arrangement with Pershing LLC. This means that DWI uses Pershing to clear and settle transactions and to custody assets for and on behalf of DWI and its clients.

For additional information, please see DWI's Regulation Best Interest Disclosure Brochure at <https://duncanwilliams.com/disclosures-agreements/>.

Conversation Starters. Ask your financial professional—

- 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 your licenses, education and other qualifications? What do these mean?

WHAT FEES WILL I PAY?

Summary of Fees, Costs, Conflicts of Interest, and Standard of Conduct

With a few exceptions, you will pay DWI a transaction-based fee every time you buy or sell an investment. This 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, DWI usually acts as your agent/broker and charges a separate commission for each transaction. With other investments, primarily bonds, DWI may sell the security to you directly out of its inventory or buy the security from you and place it in inventory. When this occurs, DWI is acting as principal or dealer, and the fee DWI receives is part of the price you pay in buying the security (called a “mark-up”) or the price you receive in selling the security (called a “mark-down”). With mutual funds and variable annuities, the fee (typically called a “load” or “sales charge”) is deducted from, and thus reduces, the amount of your initial investment.

With some investments—such as mutual funds, variable annuities, unit investment trusts, and structured products—you may also pay continuing fees that are charged as long as you hold the investment (usually called “trail commissions”), ongoing service and marketing fees such as 12b-1 fees or annual distribution fees, fees for operating costs and expenses, and fees for optional investment benefits or riders. All such ongoing fees and trail commissions, portions of which are paid to DWI, will reduce the return on your investment. Also, with certain investments such as variable annuities, you may have to pay fees such as “surrender charges” to sell your investment before specified time periods.

In addition to transaction-based fees, you may also pay other fees and costs associated with your account at DWI (e.g., custodian fees, account maintenance fees, interest on margin accounts, and wire transfer fees). Because we receive compensation from most transactions in your brokerage account, DWI has an incentive to encourage you to trade more frequently and in greater amounts. Additionally, fees we receive from third parties in connection with certain investment products may be higher than those for other products.

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 DWI's Regulation Best Interest Disclosure Brochure at <http://duncanwilliams.com/disclosures-agreements/>.

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? 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, we are required 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 affect the recommendations we provide you. Here are some examples to help you understand what this means.

Proprietary products – DWI’s proprietary products are those that are issued, sponsored, underwritten, or managed by us. DWI and your financial consultant earn greater compensation if you invest in a proprietary product. This incentive of increased compensation creates a conflict with your interests.	Third-party payments – DWI receives payments from third-party product sponsors when we recommend or sell certain products. We have an incentive to recommend or to invest in products of third parties who pay us these fees over other products by third parties that do not pay us these fees or those that pay us less.
Revenue sharing – Certain product sponsors share with us the revenue they earn from you when you invest in certain investment products (primarily mutual funds and variable annuities). DWI has an incentive to recommend or invest your assets in these products or with these product sponsors over others that share less or no revenue with us.	Principal trading – DWI can buy investments from you and sell investments to you from DWI’s own accounts. Because we earn compensation such as commission, markups, and markdowns, and can receive other benefits in principal transactions, we have an incentive to trade securities that we hold on a principal basis.
Cash sweep option – You have access to Pershing’s cash sweep programs, as custodian of your account. These cash sweep options create a conflict of interest because DWI has incentive for you to maintain and otherwise direct un-invested cash in your account, which then generates additional revenue to DWI.	Buying investments on margin – If your account has been approved for margin privileges, you may choose to borrow money from Pershing, as custodian of your assets, to pay for a portion of the securities you purchase. DWI has an incentive to recommend that you purchase securities on margin because DWI receives a portion of the interest you pay on your margin account.

While some investments provide more compensation to DWI than others, DWI takes steps to ensure this does not influence the investment information or recommendations you may receive. DWI mitigates conflicts by disclosing them to you and by establishing policies, procedures, and risk-based supervision to mitigate conflicts and review certain product recommendations.

For additional information, please see DWI’s Regulation Best Interest Brochure at <http://duncanwilliams.com/disclosures-agreements/>.

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?

Our financial consultants are compensated based upon a percentage of commissions and other transaction-based fees paid by our clients. The financial consultant’s total cash compensation increases as the revenue he or she generates increases, and this creates an incentive for your financial consultant to recommend transactions and products that generate higher revenue over those that generate lower revenue in order to increase his or her compensation from DWI. Bonuses based on meeting certain compensation goals (which are not based on specific products) are a standard component of our financial consultant’s compensation.

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

Yes. Visit 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?

WHERE CAN I FIND ADDITIONAL INFORMATION?

For additional information about our services, please visit www.Investor.gov/CRS, <https://brokercheck.finra.org>, and <https://duncanwilliams.com/>. If you would like additional, up-to-date information or a copy of this Form CRS disclosure, please call DWI at 1-800-827-0827.

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?