

ITEM 1. INTRODUCTION

Lesko Securities Inc. is a dually registered corporation, a SEC Registered Investment Adviser and is a member of Financial Industry Regulatory Authority "FINRA" Broker Dealer and the Securities Investor Protection Corporation "SIPC." Brokerage and investment management services and fees differ, it is important for the retail investor to understand the differences. Free and simple tools are available to research firms and financial professionals at www.Investor.gov/CRS, which provides educational materials about broker-dealers, investment advisers, and investing.

ITEM 2. RELATIONSHIPS AND SERVICES

A. What investment services and advice can you provide me?

We offer both brokerage and investment advisory services to you. Please discuss this with your representative.

B. Description of Services

Our Investment Advisory Services

- If you sign an investment management agreement (managed account), you will pay us a **quarterly management fee**, based upon an agreed annual percentage rate, generally referred to as a fee. Our annual fees are no higher than 1.25% for asset management. The advisory fee is calculated utilizing the method of taking the end of period balance plus weighted cash flows. This method will account for the balance at the end of the period plus any cash flows to and from the account during the billing period. The fees are negotiable, and may be billed in advance or arrears, monthly or quarterly, depending on your agreement. Our financial planning fees are no higher than \$400/hour.
- **Monitoring:** As part of the asset management services offered, all client accounts for LSI's advisory services provided on an ongoing basis are reviewed at least annually by the representative assigned to the client with regard to clients' respective investment policies and risk tolerance levels. Our ongoing monitoring of your investment accounts is limited if you chose to hold your assets with a custodian that we do not have a relationship with.
- All financial planning accounts are reviewed upon financial plan creation. Financial planning clients are provided a one-time financial

Our Brokerage Services

- If you open a brokerage account, you will pay us a **transaction-based fee**, generally referred to as a commission, every time you buy or sell an investment.
- If you open a brokerage account, you may select investments, or we may recommend investments for your account, but the ultimate investment decision as to your investment strategy and the purchase or sale of investments will be yours.
- We must have a reasonable basis for or belief that any securities recommendation we make to you are suitable, appropriate and in your best interests, given your financial circumstances, needs and goals.
- We do not monitor your individual investments. If you require ongoing monitoring of your individual investments, you should discuss an advisory relationship with your representative.
- Not all Lesko financial professionals can offer all investments and services available through Lesko Securities Inc.

plan concerning their financial situation. After the presentation of the plan, there are no further reports. Clients may request additional plans or reports for a fee.

- **Authority:** If you sign an investment management agreement, we will manage your account(s) on a non-discretionary basis. Non-discretionary means we will make recommendations deemed to be in your best interest, however, you will have the final decision.

Additional Information: Please refer to our Form ADV, Part 2A brochure (Items 4 and 7 of Part 2A for a more detailed description of our investment advisory services and fees and Regulation Best Interest for more information regarding our obligations to you as a broker-dealer. You can access these at <https://leskofinancial.com/RegBi> & <https://leskofinancial.com/FormADV>

Conversation Starters: “Given my financial situation, should I choose an investment advisory 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 qualifications mean?”

ITEM 3. FEES, COSTS, CONFLICTS, AND STANDARD OF CONDUCT

A. What fees will I pay?

Fees and costs affect the value of your account over time. Please ask your financial professional to give you personalized information on the fees and costs that you will pay:

Description of an investment advisory fees and costs:

- Our advisory fees do not vary but are negotiable. As an investment advisory client, you will pay a quarterly management fee and may or may not pay transaction fees depending on which program you choose. You will pay these fees and costs whether you make or lose money on your investments. Fees and costs will reduce the amount of money you make over time. Please make sure you understand what fees and costs you are paying.

Description of brokerage fees and costs:

- The commission you pay for a brokerage account is based on the specific transaction and not the value of your account. The more transactions in your account, the more fees we charge you. We therefore have an incentive to encourage you to engage in transactions.
- 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, this fee (typically called a “load”) reduces the value of your investment.
- Some investments such as mutual funds impose additional fees that will reduce the value of your investment over time.
- We pass additional charges, from our Clearing Firm, on to you such as custodian fees, account

maintenance fees, and account inactivity fees.

Conversation Starter: 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 you invest 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 You Make Money and Conflicts of Interest:

We do offer a limited menu of products through our broker-dealer, i.e. mutual funds, ETFs, etc. We do not offer the entire universe of products. We do receive income from Revenue Sharing programs through issuers and our Custodian NFS. : Revenue sharing is investments where the manager or sponsor of those investments or another third party (such as an intermediary) shares with us revenue it earns on those investments. This revenue may or may not be shared with your financial professional. For more information regarding Revenue Sharing, please refer to our Reg BI Disclosure document located at <https://leskofinancial.com/RegBI>.

Conversation Starter:

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

How do your financial professionals make money?

Registered representatives receive a commission every time you buy or sell an investment. Each representative has a commission schedule. Please ask your representative to discuss, in detail, their commission schedule.

Investment adviser representatives receive a quarterly fee based upon your account's market value. The fee will increase as your account value increases and decreases if your account value decreases. Managed accounts are not charged any commissions, so the investment adviser representative only receives the quarterly fee.

Compensation varies by investment service, which creates an incentive for financial professionals to recommend or select asset classes, investment or strategies that pay greater compensation.

It is important to understand the differences between a brokerage commission-based account and an asset-based fee account. You can receive advice in either type of account, but you may prefer paying:

an asset-based fee if you want continuing advice or want someone to make investment decisions for you, even though it may cost more than a transaction-based fee.

a transaction-based fee from a cost perspective, if you do not trade often or if you plan to buy and hold investments for longer periods of time.

ITEM 4. DISCIPLINARY HISTORY

Do you or your financial professionals have legal or disciplinary history?

Yes. Visit www.investor.gov for a free and simple search tool to research our firm and our financial professionals.

Conversation Starter

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

ITEM 5. ADDITIONAL INFORMATION

Additional information can be found on our website, www.leskofinancial.com . A copy of this form will be posted to our site or available upon request by email at info@leskofinancial.com or calling 800-695-3756.

We also encourage you to seek additional information.

- For additional information about our brokers and services, visit Investor.gov, BrokerCheck at BrokerCheck.Finra.org, or our web site (www.leskofinancial.com).
- To report a problem to the SEC, visit www.investor.gov or call the SEC's toll-free investor assistance line at (800) 732-0330. To report a problem to FINRA, <https://www.finra.org/investors/file-complaint>. If you have a problem with your investments, account or financial professional, contact us in writing at 400 Plaza Dr. Suite A Vestal, NY 13850 or call (607)724-2421.
- Additional information can be obtained by calling Gregory Lesko at (607)724-2421 or 1(800)NY-LESKO. Or contact us in writing at 400 Plaza Drive, Suite A, Vestal, NY 13850.

Conversation Starter

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?