

## CUSTOMER RELATIONSHIP SUMMARY (CRS)

June 30, 2020

**INTRODUCTION:** Pyramid Funds Corporation (PFC) is a Broker-Dealer registered with the Securities and Exchange Commission. PFC is also regulated under [FINRA](#) and the states in which it is licensed.

Brokerage and Investment advisory services and fees differ and that 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](http://www.Investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

### **RELATIONSHIP & SERVICES:** “What investment services and advice can you provide me?”

PFC offers brokerage services to retail investors. Our products include mutual Funds, variable and fixed annuities we choose to represent with third-party arrangements. Our firm offers recommendations to you, including buying, selling, or holding securities. We assist you with your investments to reach your financial goals based on your investment objectives, risk tolerance, tax status, investment time horizon and other financial information provided by you. We do not provide account monitoring services. PFC does not exercise discretionary investment authority. You make the ultimate decision regarding the purchase or sale of investments. There are no account minimums. Investment Offerings are limited to a specific menu of investment company and annuity and life insurance products.

**Additional information:** More information about PFC’s broker-dealer services is available in its Regulation Best Interest disclosure, which is available at [www.pyramidfunds.com/pdf/BICDisclosures](http://www.pyramidfunds.com/pdf/BICDisclosures).

#### **Conversation Starters: Ask your financial professional:**

- (i) “Given my financial situation, should I choose a brokerage service? Why or Why not?”
- (ii) “How will you choose investments to recommend to me?”
- (iii) “What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?”

### **FEES, COSTS, CONFLICTS AND STANDARD OF CONDUCT:**

#### **“WHAT FEES WILL I PAY?”**

You will pay PFC on a transactional basis each time you invest or buy or sell a security. This payment is typically called a “commission,” but it may also be called a “sales charge”. This kind of payment presents a conflict for PFC because it creates an incentive to encourage you to effect more transactions and make additional investments. The commission rate or amount varies, depending on the investment and the size or amount of the transaction. In addition, mutual funds bear ongoing fees and expenses, which you pay indirectly because they are factored into the cost of the investment. More information on commission schedules PFC uses is available at [www.pyramidfunds.com/pdf/BICDisclosures](http://www.pyramidfunds.com/pdf/BICDisclosures).

**Mutual Funds:** You will typically pay an up-front sales charge or load when you buy shares in a mutual fund that is deducted from your investment amount. Mutual funds typically also deduct other ongoing fees and expenses, such as 12b-1 fees, management fees, or servicing fees, and custodian fees from fund assets.

**Insurance Products:** With annuities, you will indirectly pay a commission, which is factored into the cost of the insurance and is paid by the issuing insurance company to PFC. The costs of an insurance product include an asset-based charge, usually called a mortality and expense risk charge, administrative charges, and cost of insurance charges. In addition, surrender charges can apply to certain withdrawals or surrenders. Optional riders can be added at additional cost.

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. Please review Regulation Best Interest Disclosures on our website or request supplemental material be provided to you.

**Conversation Starters: “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, we must 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 may affect the recommendation we provide you. Here are some examples to help you understand what this means below:

Because PFC is paid on a transactional basis, we have an incentive to encourage you to effect more transactions and make additional investments to increase the amount of commissions it earns. Here are examples of incentives created by some of the payments PFC receives.

- **Third-Party Payments.** When we sell an investment fund or product to you as a broker-dealer, we receive payments from the issuer (mutual fund or insurance company) and their sponsors, and we may also receive ongoing payments, such as 12b-1 fees (trails), from them. These payments create an incentive for us to sell you investments that entail such payments and to maintain our relationships with the issuer. Since the amount of compensation we receive varies among and between the issuers and the different investments and types of investments that we offer as a broker-dealer, we have an incentive to sell you those investments that pay us more compensation.
- **Revenue Sharing.** In addition to the third-party payments discussed above, many issuers and fund sponsors or managers make payments to us that are sometimes called “revenue sharing” payments because they share with us a part of the revenue that they earn on your investments in their funds or products. These payments are an incentive for us to offer or continue offering investments and services that entail such payments and to encourage you to increase the amount of assets in those investments.

**Conversation Starters: “How might your conflicts of interest affect me, and how will you address them?”**

**How do your financial professionals make money? Examples and possible conflicts of Interest:**

Our brokers are compensated on a portion of the total fees received by PFC. Thus, they have an incentive to increase your assets in your accounts and recommend you purchase investments that result in additional compensation to them as stated above. Some fund or insurance product sponsors may provide business educational meetings, sales event reimbursements or small gifts. Thus, our brokers have a potential incentive to encourage you purchase these investments whose issuers or sponsors offer these forms of compensation. PFC offers no sales contests, sales quotas or bonuses.

**DISCIPLINARY HISTORY: “Do you or your financial professionals have legal or disciplinary history?” YES**  
Visit [www.investor.gov/CRS](http://www.investor.gov/CRS) for a free and simple search tool to research PFC and your financial professionals

**Conversation Starters: “As a financial professional, do you have any disciplinary history? For what type of conduct?”**

**ADDITIONAL INFORMATION:** You can find up-to-date information about Pyramid Funds Corporation services and request a copy of the relationship summary by visiting [www.pyramidfunds.com](http://www.pyramidfunds.com) or calling 518-459-1671.

**Conversation Starters: Ask your financial professional: “Who is my primary contact person? Is he or she a representative of a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?”**