



Customer Relationship Summary (Form CRS)

Farmers Financial Solutions, LLC. CRD#: 103863
Registered Broker-Dealer
Member Financial Industry Regulatory Authority (FINRA)
and the Securities Investor Protection Corporation (SIPC)

December 9, 2022

There are different ways you can get help with your investments. You should carefully consider which types of accounts and services are right for you. Brokerage and investment advisory services and fees differ and it is important for an investor to understand the difference. We are a broker-dealer and provide brokerage accounts and services rather than advisory accounts and services. 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.

What investment services and advice can you provide me?

Farmers Financial Solutions, LLC (FFS) is a Broker Dealer registered with the Securities and Exchange Commission (SEC), Financial Industry Regulatory Authority (FINRA), Municipal Securities Rulemaking Board (MSRB), and State Securities Divisions. FFS offers brokerage services for buying and selling securities. FFS is also a General Insurance Agency licensed in multiple states that Farmers operates.

FFS offers a limited selection of investments. Other firms could offer a wider range of choices. FFS is engaged solely in the sale of variable universal life (VUL) insurance policies, annuity contracts, mutual funds and municipal fund securities (529 Plans). Recommendations offered by FFS are limited to these products. You make the ultimate decision regarding the purchase or sale of investments. FFS does not provide monitoring services, take discretionary investment authority and/or impose account minimums or other account requirements other than minimums or restrictions required by product sponsors.

Conversation Starter – Questions you should ask a financial professional:

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

What fees will I pay?

You will pay transaction based fees when a product is purchased, or a fee if the product is surrendered prior to the surrender period. A retail investor would be charged more when there are more trades in your account and the firm may have an incentive to encourage an investor to trade often. If you have a brokerage account you will be subject to other fees such as a custodian fee, account maintenance fee, and internal expenses of the insurance or mutual fund products. Some types of investments incur ongoing operational expenses which are directly or indirectly passed on to you. 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.

Conversation Starter – Questions you should ask a 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, 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 we provide you. Here are some examples to help you understand what this means.

- FFS receives additional payments from certain sponsors that are not tied to any particular customer purchases or additional investments, such as revenue sharing and marketing support payments. This compensation is not shared with FFS' RRs.
- FFS is the sole distributor for Farmers New World Life (FNWL) VUL products. While FNWL and FFS do not share any common or joint ownership interests, both conduct business under the Farmers® brand. This results in a conflict of interest in that VUL compensation retained by the insurance carrier as described below is received by Farmers.
- FFS may also receive ongoing payments, called "trail commissions," We therefore have an incentive to recommend products that pay higher "trails."
- We count the receipt of commissions toward certain qualifying rewards for RRs, including trips and awards. These qualifying rewards present a conflict because they create an incentive for RRs to sell more investments in order to qualify for these rewards. Other forms of compensation, include business entertainment, expense reimbursement for travel associated with educational events, financial assistance related to the cost of marketing and sales events, and small gifts or other non-cash compensation.

For additional information, please refer to the FFS Regulation Best Interest Disclosure brochure online at www.farmers.com/financial/disclosures/.

Conversation Starter – Questions you should ask a financial professional:

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

How do your financial professionals make money?

FFS Registered Representatives (RRs) are compensated based on a percentage of revenue generated from the sales of products and services to clients. This compensation varies by product, and FFS RRs are therefore incentivized to recommend products that have higher fees and/or ongoing payments. Furthermore, in addition to commissions, if certain qualifying performance thresholds are met, RRs may be eligible for a bonus payment. These payments create an incentive for RRs to sell more investments. FFS RRs are also licensed insurance agents who sell insurance products and receive compensation for the sale of those products. From time to time Farmers holds sales incentive campaigns that reward RRs who have higher levels of sales with additional compensation, benefits, trips or other rewards. For additional information, please refer to the FFS Regulation Best Interest Disclosure Brochure online at www.farmers.com/financial/disclosures/.

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

Yes, Please visit www.investor.gov/CRS for a free and simple search tool to research us and our financial professionals. For more information see www.finra.org; also see www.brokercheck.finra.org.

Conversation Starter – Questions you should ask a financial professional:

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

Additional information: You may find additional information about our firm and services at <https://www.farmers.com/financial/>. You may call us at (866) 888-9739 to request up-to-date information and a copy of the relationship summary.

Conversation Starter – Questions you should ask a 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?