

YOUR FINANCIAL ADVISORY RELATIONSHIP – READ THE LABEL!

FINANCIAL ADVISORY RELATIONSHIP FACTS	
Title	Investment Advisor Representative
Standard of Conduct	Fiduciary
Service or Product	Planning advice and investment implementation
Engagement scope	Develop comprehensive, diversified investment plan for \$500,000+ portfolios. Upon the client request, implement, monitor and manage those investment recommendations.
Fees and Expenses paid by Investor	\$5,000 planning fee; annual renewal fee per client planning needs. Investment implementation fees begin at 1% and decline. Larger expenses will be estimated. Additional expenses may include separate manager/fund expenses, transaction fees, etc.
Potential Conflict of Interest	There are always potential conflicts that, as fiduciaries, investment advisor reps must address. (See “Standard of Conduct” definition, and ADV brochure.)
Products restrictions	Limited to the universe of products approved by xxx.
Other payment sources?	No. All payments received by the advisor are direct from the client.

DEFINITIONS

Advisor / Financial Advisor / Account Executive / Registered Representative – Individual licensed to sell securities, having passed the Series 7 and Series 63 examinations. May offer advice (as fiduciary) or may offer product information (as salesperson).

Advisor / Financial Advisor / Investment Advisor / Investment Advisor Representative – Provides advice, investment recommendations or conducts securities analysis in return for a fee.

Agent – Primary function is selling insurance products for which the agent is paid a commission.

Broker / Stockbroker – Individual licensed to sell securities, having passed the Series 7 and Series 63 examinations; charges a commission on products sold. Provides product information but not advice.

Dealer – a company or other organization that trades securities for its own account

Broker-Dealer – A company or other organization that trades securities for its own account or on behalf of its clients.

- "Independent" broker-dealers are solely involved in providing services for clients.
- Others are business units or subsidiaries of commercial banks, investment banks or investment companies.

Financial Planner – Provides advice to help clients achieve specific financial goals. May also provide insurance and investment products.

Standard of Conduct – standard to which a financial professional adheres.

- **Commercial Standard** – Requires that the products and services sold are “suitable” for the client’s circumstances. Conflicts of interest are acceptable and need not be disclosed. Fee disclosure is generic.
- **Fiduciary Standard** – Requires, among other things, that the client’s best interests are put first; conflicts of interest are avoided or, if unavoidable, are fully disclosed and fairly managed, in the client’s favor. Fee disclosure is detailed and specific to the individual client relationship.

Wealth Manager – Provides financial products and/or advice to high net worth individuals