

Osaic FS, Inc. (we, us, or our) is registered with the Securities and Exchange Commission as both a broker-dealer and an investment adviser. Brokerage and investment advisory services and fees differ and it is important for you to understand the differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://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?**

We offer both brokerage services and investment advisory services. Many, but not all, of our financial professionals (FPs) are licensed to offer both brokerage and advisory services through us. Discuss with your FP the services they can provide.

BROKERAGE SERVICES	INVESTMENT ADVISORY SERVICES
<p><b><u>Principal Services.</u></b> We can recommend and effect securities transactions, including purchases and sales, and investment strategies, including account type selections, rollovers, and asset transfers, for you. We offer access to cash and margin brokerage accounts, including retirement and non-retirement accounts, through National Financial Services LLC (NFS), our custodian; accounts held directly with securities issuers; education savings plans and accounts; retirement accounts, where the retirement account's custodian holds your investments; and other specialty accounts. We offer access to stocks, bonds, options, mutual funds, closed-end funds, exchange-traded funds (ETFs), unit investment trusts (UITs), variable annuities (VAs), variable life insurance, alternative investments (AIs), other securities, securities-backed loans (SBLs), and securities-backed lines of credit (SBLOCs).</p> <p><b><u>Monitoring.</u></b> We do not monitor your account, your investments (including investments that we recommend), or their performance when we provide brokerage services.</p> <p><b><u>Investment Authority.</u></b> We may recommend investments to you when we provide brokerage services, but you make the ultimate decision regarding purchases and sales of investments.</p> <p><b><u>Limitations.</u></b> Not all of our FPs can offer our full range of products and services. We only offer VAs and AIs from third-party sponsors who pay us marketing support. Our FPs are generally limited to recommending Class A, C, and R mutual funds. We do not offer discount brokerage commissions or a self-directed brokerage account platform.</p> <p><b><u>Account Requirements.</u></b> We don't impose a minimum investment amount to establish or maintain a brokerage account or relationship with us. Product sponsors impose minimum investments for their products.</p>	<p><b><u>Principal Services.</u></b> We can provide ongoing investment advice through our sponsored programs and third-party asset managers' programs (TAMPs); advice on TAMP, separately managed account (SMA) manager, and model provider selection; and financial planning and consulting services. We offer access to cash and margin accounts, including retirement and non-retirement accounts, through NFS, our custodian, with us serving as broker-dealer of record. We also provide advice regarding products and accounts held directly with product sponsors and other custodians. We provide advice regarding stocks, bonds, options, mutual funds, closed-end funds, ETFs, UITs, VAs, variable life insurance, AIs, other securities, SBLs, and SBLOCs.</p> <p><b><u>Monitoring.</u></b> We monitor your account on an ongoing basis as part of our standard ongoing advisory services. We don't monitor investments you purchase to implement advice we provide in financial plans or consultations unless you separately engage us to do so.</p> <p><b><u>Investment Authority.</u></b> You may grant us discretionary investment authority in certain of our sponsored programs by providing written authorization. If you do, you authorize us to purchase and sell investments for you without your approval of each transaction. In certain of our sponsored programs, discretionary authority also authorizes us to select SMA managers, model providers, and investment strategies for you. We don't accept discretionary authority to purchase or sell commodities, AIs, or insurance; borrow; remove account assets; or select TAMPs. Also, our discretionary authority is subject to other limitations as set forth in your account documents. Discretionary authority continues until you revoke it in writing. Unless you grant us discretionary authority in writing, you make the ultimate decision regarding purchases and sales of investments, and selection of SMA managers, model providers, and investment strategies, when we provide advisory services. We don't accept discretionary authority in connection with TAMPs or our financial planning or consulting services.</p> <p><b><u>Limitations.</u></b> Not all of our FPs can offer our full range of advisory services. We only provide advice regarding VAs from third-party sponsors who pay us marketing support.</p> <p><b><u>Account Requirements.</u></b> Our sponsored ongoing advisory programs have negotiable minimum investments generally ranging from \$10k-\$250k. There are no minimums for our financial planning or consulting services. TAMPs, SMA managers, model providers, and other product sponsors impose minimum investments for their products.</p>

- For more detailed information on our brokerage services, see our Reg BI disclosure document at [www.osaic.com/fs](http://www.osaic.com/fs) under My accounts—Disclosures. For more detailed information on our investment advisory services, see our Forms ADV Part 2A at [www.osaic.com/fs](http://www.osaic.com/fs) under My accounts—Disclosures.

Ask your FP these questions to start a conversation about relationships and services:

- *Given my financial situation, should I choose an investment advisory service? Should I choose a brokerage service? Should I choose both types of services? 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?*

#### WHAT FEES WILL I PAY?

BROKERAGE SERVICES	INVESTMENT ADVISORY SERVICES
<p><b>Principal Fees/Costs.</b> The principal brokerage fees you will pay include commissions, sales charges, sales loads, and markups/markdowns (i.e., price adjustments above or below a security's market price) on securities transactions and related transaction, trading, execution, and other fees. You generally will pay these fees each time you place a securities transaction, but you will pay certain fees (e.g., back-end sales loads on mutual funds and other securities) over time as you hold or when you sell your investment. These fees and costs vary by product, share class, transaction size, and other factors.</p> <p><b>Other Fees/Costs.</b> You will pay internal investment expenses, including 12b-1, sub-transfer agency, management, administrative, servicing, insurance, and other fees; fees for trades not executed by NFS; service and handling fees; options exercise and assignment fees; inactive account fees; cash management account fees; fees in connection with our Insured Bank Deposit Account cash sweep (IBDA), which reduce the interest rate you receive; retirement account maintenance and termination fees; asset transfer and account termination fees; AI custody and valuation fees; wire transfer, overnight check, returned check, and stop payment fees; interest on cash debits; certificate return and transfer fees; security safekeeping fees; reorganization fees; direct registration fees; paper statement/trade confirmation delivery fees; tax return fees; and interest on margin loans, SBLs, and SBLOCs, as applicable.</p> <p><b>Our receipt of these fees creates conflicts for us because you pay more, and we receive more compensation, when you trade more, hold more cash in the IBDA, use margin loans, SBLs, and SBLOCs, and take other fee-generating actions. We have an incentive to recommend that you engage us as your broker-dealer, use NFS as your custodian, trade often, use the IBDA, use margin loans, SBLs, and SBLOCs, and take other fee-generating actions. We also have an incentive to set fees at levels that generate the highest payments to us and to recommend that you invest in products and use cash sweeps that pay us the highest compensation.</b></p>	<p><b>Principal Fees/Costs.</b> The principal fee you will pay for ongoing advisory services is a program fee based on a percentage of your account assets. In a "wrap-fee" program, you will pay a "wrap fee" that includes an advisory fee and costs for transaction execution and other services. Wrap fees are usually higher than fees for non-wrap fee programs because they include most transaction costs. In non-wrap fee programs, you will pay separate transaction, trading, and execution fees, which vary by product, share class, transaction size, and other factors. You will pay program fees monthly or quarterly, in arrears (following a billing period) or in advance (at the outset of a billing period), as stated in your contract, and applicable transaction fees when you place securities transactions. For financial planning, you will pay a fixed fee up front or as stated in your contract. For consulting, you will pay a fixed or hourly fee up front or as stated in your contract. For consulting subscriptions, you will pay a fixed fee, in installments, and may also pay a fixed upfront fee, as stated in your contract.</p> <p><b>Other Fees/Costs.</b> You will pay internal investment expenses, including 12b-1, sub-transfer agency, management, administrative, servicing, insurance, and other fees; fees for trades not executed by your advisory program's associated broker-dealer; inactive account fees; cash management account fees; fees in connection with the IBDA and our Insured Bank Retirement Advisory Account cash sweep (IBRAA), which reduce the interest rate you receive; retirement account maintenance and termination fees; asset transfer and account termination fees; AI custody and valuation fees; wire transfer, overnight check, returned check, and stop payment fees; interest on cash debits; certificate return and transfer fees; security safekeeping fees; reorganization fees; direct registration fees; paper statement/trade confirmation delivery fees; tax return fees; and interest on margin loans, SBLs, and SBLOCs, as applicable.</p> <p><b>Our receipt of program fees creates conflicts for us because you pay us more when there are more assets in your account. We have an incentive to recommend that you use advisory programs and increase your account assets; that you use our sponsored programs, rather than TAMPs; NFS as your custodian; and us as your broker-dealer, so we can also act in our brokerage capacity and receive transaction-based fees and IBDA and IBRAA fees in addition to program fees. We also have an incentive to recommend that you use margin loans, SBLs, and SBLOCs because we will receive interest and charge program fees on your entire account balance.</b></p>

- 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 more detailed information on brokerage fees and costs, see our Reg BI disclosure document at [www.osaic.com/fs](http://www.osaic.com/fs) under My accounts—Disclosures. For more detailed information on advisory fees and costs, see our Forms ADV Part 2A at [www.osaic.com/fs](http://www.osaic.com/fs) under My accounts—Disclosures. In each case, see our Fee and

Commission Schedule at [www.osaic.com/fs](http://www.osaic.com/fs) under My accounts—Cost for detailed information on fees we charge as broker-dealer of record for accounts with NFS. In each case, see our Bank Sweep Program Disclosure Document and other cash sweep disclosures at [www.osaic.com/fs](http://www.osaic.com/fs) under My accounts—Disclosures for detailed information on our fees in connection with our cash sweep program, including the IBDA and IBRAA.

Ask your FP this question to start a conversation about the impact of fees and costs on investments:

- *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 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.

BROKERAGE SERVICES	INVESTMENT ADVISORY SERVICES
<p><b>Proprietary Products.</b> We offer certain products created or managed by our affiliates and we and our affiliates receive additional compensation when we sell them. <b><i>This creates conflicts for us because we have an incentive to recommend that you use products that pay us and our affiliates the highest compensation.</i></b></p> <p><b>Third-Party Payments.</b> When we sell you an investment, we receive payments from the product issuer, sponsor, or manager, including ongoing payments such as 12b-1 fees, servicing fees, distribution fees, and trail compensation. <b><i>This creates conflicts for us because we have an incentive to maintain relationships with these third parties and recommend investments that make the highest payments to us. Since these payments vary by investment, we have an incentive to recommend investments that make the highest payments to us.</i></b> We also receive fees from the banks participating in the IBDA when your cash is swept to the IBDA. <b><i>The fees we receive in connection with the IBDA reduce the interest rate you receive on your cash in the IBDA and are in addition to other fees you pay us. You will receive a lower interest rate on your cash in the IBDA than you would on cash invested in other available investments, including money market funds, that your FP can recommend for other portions of your brokerage account.</i></b></p> <p><b>Revenue Sharing.</b> Many issuers, sponsors, managers, and lenders share with us part of the revenue they earn on your investments in, and use of, their products, including securities and other investment products, cash sweeps, SBLs, and SBLOCs. We also receive compensation from NFS based on, among other things: your investments in certain no transaction fee and transaction fee mutual funds; your use of margin loans, NFS SBLOCs, Fidelity money market sweeps, and FCASH; and your uninvested cash and short positions. NFS also pays us business development and net flows credits. <b><i>This creates conflicts for us because we have an incentive to use NFS as our custodian, offer products that make the highest payments to us, and recommend that you use and increase your assets in those products.</i></b></p> <p><b>Principal Trading.</b> We conduct principal trades involving debt securities. When we sell a bond to you or purchase a bond from you as principal, we mark the price up or down from the market price as compensation. <b><i>This creates conflicts for us because we have an incentive to mark prices up/down to generate the highest compensation for us, which will cause you to pay more in fees.</i></b></p>	<p><b>Proprietary Products.</b> We provide investment advice regarding certain products created, sponsored, or managed by us or our affiliates and we and our affiliates receive additional compensation when your advisory assets are directed to them. <b><i>This creates conflicts for us because we have an incentive to recommend that you direct advisory assets to products that pay us and our affiliates the highest compensation.</i></b></p> <p><b>Third-Party Payments.</b> When you select an advisory program for which we also act as your broker-dealer of record, we receive fees from the banks participating in the IBDA or IBRAA when your cash is swept to the IBDA or IBRAA. <b><i>The fees we receive in connection with the IBDA and IBRAA reduce the interest rate you receive on your cash in the IBDA or IBRAA and are in addition to other fees you pay us. You will receive a lower interest rate on your cash in the IBDA or IBRAA than you would on cash invested in other available investments, including money market funds, that your FP can recommend or select for other portions of your advisory account.</i></b></p> <p><b>Revenue Sharing.</b> Many issuers, sponsors, managers, TAMPs, model providers, and lenders share with us part of the revenue they earn on your investments in, and use of, their products, including securities and other investment products, cash sweeps, SBLs, and SBLOCs. We also receive compensation from NFS based on, among other things: your use of margin loans, NFS SBLOCs, Fidelity money market sweeps, and FCASH; and your uninvested cash and short positions. NFS also pays us business development and net flows credits. <b><i>This creates conflicts for us because we have an incentive to use NFS as our custodian, offer products, TAMPs, and model providers that make the highest payments to us, and recommend that you use and increase the amount of your advisory assets in those products, TAMPs, and model providers.</i></b></p>

Ask your FP this question to start a conversation about conflicts of interest:

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

- *For more detailed information on our brokerage conflicts, see our Reg BI disclosure document at [www.osaic.com/fs](http://www.osaic.com/fs) under My accounts—Disclosures. For more detailed information on our advisory conflicts, see our Forms ADV Part 2A at [www.osaic.com/fs](http://www.osaic.com/fs) under My accounts—Disclosures. In each case, see our Bank Sweep Program Disclosure Document and other cash sweep disclosures at [www.osaic.com/fs](http://www.osaic.com/fs) under My accounts—Disclosures for detailed information our conflicts in connection with our cash sweep program, including the IBDA and IBRAA.*

#### HOW DO YOUR FINANCIAL PROFESSIONALS MAKE MONEY?

BROKERAGE SERVICES	INVESTMENT ADVISORY SERVICES
<p>Our FPs receive a percentage of the commissions, sales charges, sales loads, markups/markdowns, and ongoing payments we receive from your securities transactions and holdings. FP compensation varies based on the product and share class you purchase, the size of your transaction, and other factors, and FPs receive higher compensation for certain proprietary product sales. Our FPs also receive additional compensation and benefits, including recognition trips, nominal gifts, entertainment, and other benefits, from product sponsors, our affiliates, and us based on revenue they generate for each of us and other factors. Certain FPs receive other compensation and benefits based on asset accumulation, total sales, total compensation, proprietary product sales, and other metrics. Certain FPs also receive loans from us and have loan balances forgiven based on revenue they generate for us or time affiliated with us. <b><i>This creates conflicts for our FPs because they receive more compensation, and have loan balances forgiven, when you trade more, purchase proprietary products, and take other fee-generating actions. They have an incentive to recommend that you trade often, purchase proprietary products, and take other fee-generating actions. Our FPs also have an incentive to recommend that you invest in products that pay them the highest compensation.</i></b></p>	<p>For ongoing advisory services, our FPs receive a percentage of the asset-based program fee you pay. Our FPs also receive additional compensation and benefits, including recognition trips, nominal gifts, entertainment, and other benefits, from product sponsors, our affiliates, and us based on revenue they generate for each of us and other factors. Certain FPs receive other compensation and benefits based on total or proprietary product compensation, assets in our sponsored advisory programs, and other metrics. Certain FPs also receive loans from us and have loan balances forgiven based on revenue they generate for us or time affiliated with us. For financial planning and consulting, our FPs receive a percentage of the fixed or hourly fee you pay us. Your FP will negotiate fees with you based on your financial circumstances and other factors. <b><i>This creates conflicts for our FPs because they receive more compensation, and have loan balances forgiven, if you use our ongoing advisory services and deposit more assets into your account, utilize financial planning and consulting services, and take other fee-generating actions. They therefore have an incentive to recommend that you take those actions.</i></b></p>

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

Yes. Visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research us and our FPs.

Ask your FP these questions to start a conversation about his or her disciplinary history:

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

#### ADDITIONAL INFORMATION

- *For more information on our brokerage services, see our Reg BI disclosure document at [www.osaic.com/fs](http://www.osaic.com/fs) under My accounts—Disclosures. For more information on our advisory services, see our Forms ADV Part 2A at [www.osaic.com/fs](http://www.osaic.com/fs) under My accounts—Disclosures. This relationship summary is available at [www.osaic.com/fs](http://www.osaic.com/fs) and you can request up-to-date information and a copy of this relationship summary by calling 1-800-237-3813.*

Ask your FP these questions to start a conversation about contacts and complaints:

- *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?*

Securities and investment advisory services are offered through Osaic FS, Inc., broker-dealer, registered investment adviser, and member of FINRA and SIPC. Osaic FS, Inc. is separately owned and other entities and/or marketing names, products, or services referenced here are independent.