

**U.S. News Financial Connect, Inc.**  
**Firm Brochure – Form ADV Part 2A**

U.S. News Financial Connect, Inc.  
120 Fifth Avenue, 7<sup>th</sup> Floor  
New York, NY 10011  
<https://money.usnews.com/financial-advisors>

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**This brochure provides information about the qualifications and business practices of U.S. News Financial Connect, Inc. For questions about the contents of this brochure, please contact: [usnfinancialconnect@usnews.com](mailto:usnfinancialconnect@usnews.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.**

**Additional information about U.S. News Financial Connect, Inc. is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Registration does not imply a certain level of skill or training.**

**Item 2            Material Changes**

Not applicable.

**Item 3            Table of Contents**

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#### **Item 4            Advisory Business**

U.S. News Financial Connect, Inc. (hereinafter “USNFC”) is a corporation in the State of Delaware that was formed in 2021. The principal owner of USNFC is U.S. News & World Report, L.P. (“U.S. News”). U.S. News is a media company that publishes a website with civic journalism, consumer advice, rankings and data analysis.

On a separate page within the U.S. News website (the “USNFC website”), USNFC operates a service that assists individual consumers find financial advisers. The USNFC website includes a personalized investment adviser matching service. The consumers who use the matching service are “clients” of USNFC.

Through the USNFC website, clients using the matching service are asked a series of financial and investment related questions, and USNFC uses the personal information in their responses to match clients with one or more third-party registered investment advisers (“RIAs”) and/or investment adviser representatives (“IARs”). USNFC clients determine whether to enter an advisory relationship with any matched RIA/IAR or any other investment adviser of their choice.

The investment advice that USNFC provides is limited to the matching service described above. That service is considered investment advice because it is advice about other investment advisers. USNFC does not accept any discretionary authority, does not manage any client assets, does not effect changes on any client accounts, and does not provide securities recommendations to clients.

The RIAs/IARs available to be matched with a client are limited to those who elect to participate in the matching service by entering into a referral agreement with USNFC. USNFC determines whether the available RIAs/IARs are registered as investment advisers, but USNFC does not review the ongoing performance of any RIA/IAR.

USNFC does not meet with clients. USNFC provides investment advice to its clients exclusively through an interactive website. In addition to the matching service, USNFC provides a directory service that allows clients to look up RIAs/IARs and provide information to the RIAs/IARs in the directory. All USNFC services are provided through the USNFC website, except for limited verification of users for certain services, which may be conducted by email or telephone.

#### **Item 5            Fees and Compensation**

USNFC does not charge clients any fees for its services. USNFC is compensated exclusively through referral fees paid by the RIAs/IARs that participate in its matching service.

*See Item 10.D (Recommendation of Other Advisers or Managers and How This Adviser is Compensated for Those Selections) for a description of how USNFC is compensated.*

#### **Item 6            Performance Based-Fees and Side-by-Side Management**

This item is not applicable to the business activities of USNFC. USNFC does not manage any client assets and does not enter any side-by-side arrangements.

## **Item 7           Types of Clients**

USNFC generally provides investment advice to individuals. There are no minimum investment amount, balance, or wealth requirements for using the matching service. However, the RIAs/IARs that participate in the matching service may have such minimums.

## **Item 8           Methods of Analysis, Investment Strategies and Risk of Loss**

USNFC does not manage any client assets. USNFC uses an intake process for RIAs/IARs and rules-based modeling to match individual clients to such RIAs/IARs. RIA/IARs that participate in the USNFC service must satisfy USNFC's criteria and are required to enter into a terms of service agreement with USNFC. USNFC may verify a client's identity by email or telephone prior to making a match to an RIA/IAR and sharing contact and other information provided by the client.

USNFC provides suitable investment advice by asking clients questions through a web form and using their responses in a rules-based model. The advice USNFC provides is, therefore, dependent on the responses that clients provide. Based on those responses, USNFC identifies RIAs/IARs that meet the self-reported needs of the clients. USNFC cannot ensure, however, that every client will have at least one RIA/IAR identified as a match. If USNFC is unable to identify a match, the client will be advised that no matches are available. Clients that are not provided with a match may still receive general marketing from other RIAs/IARs.

USNFC cannot ensure that the RIA/IAR matched with a client will perform as desired, and USNFC has no control over any such RIA/IAR's day-to-day operations. USNFC would not necessarily be aware of certain activities at the RIA/IAR, including without limitation engaging in unreported risks, investment "style drift," regulatory violations, or fraud.

**Past performance is not indicative of future results. Investing in securities involves a risk of loss that each client of USNFC, and each client of any RIA/IAR with whom a user is matched, should be prepared to bear. Clients are reminded to discuss these risks with the RIA/IAR they select to be their adviser, if applicable. Clients should obtain risk disclosures from any RIA/IAR with which they conduct business and should fully understand the risks of investing.**

## **Item 9           Disciplinary Information**

USNFC has no criminal or civil actions or administrative or self-regulatory organization proceedings to report.

## **Item 10          Other Financial Industry Activities and Affiliations**

### **A.       Registration as a Broker/Dealer or Broker/Dealer Representative**

Neither USNFC nor its supervised persons are registered as, or have pending applications to become, a broker/dealer or a representative of a broker/dealer.

**B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor**

Neither USNFC nor its supervised persons are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

**C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests**

Neither USNFC nor its supervised persons have any financial affiliations material to its business that would present a possible conflict of interest.

**D. Recommendation of Other Advisers or Managers and How This Adviser is Compensated for Those Selections**

USNFC refers clients to other investment advisers, and USNFC is compensated by the fees paid by such investment advisers. An RIA/IAR pays USNFC a referral fee for each client matched with such RIA/IAR. The referral fee amounts are in bands that are based on ranges of clients' self-reported investable assets.

This compensation arrangement may create a conflict of interest, in that USNFC would have an incentive to refer its clients to investment advisers that provide USNFC with a fee. USNFC addresses this potential conflict of interest in several ways:

- USNFC implements algorithms that are designed and intended to act in the best interests of the individual client, including when determining if one or more particular RIAs/IARs are a match;
- The RIA/IAR pays the referral fee regardless of whether the matched client chooses to enter an advisory relationship with any matched RIAs/IARs;
- If any USNFC client does enter an advisory relationship with a matched RIA/IAR, the referral fee does not vary based on the client's volume of activity with the matched RIA/IAR;
- USNFC does not guarantee that an RIA/IAR using its service will receive any leads; and
- USNFC does not permit RIAs/IARs to pay for preferential treatment of any kind.

Clients will receive a disclosure statement that details the compensation arrangement for the matching service. Matched RIAs/IARs that contact USNFC clients also are required to provide disclosure statements. A client may incur fees for the services provided by a matched RIA/IAR, but such fees are wholly outside the client's advisory relationship with USNFC.

**Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

USNFC has a written code of ethics that includes, but is not limited to, prohibited activities, conflicts of interest, confidentiality, compliance with laws and regulations, reporting violations,

training and education, and recordkeeping. The USNFC code of ethics is available for free upon request.

**Item 12      Brokerage Practices**

This item is not applicable to the business activities of USNFC.

**Item 13      Review of Accounts**

This item is not applicable to the business activities of USNFC.

**Item 14      Client Referrals and Other Compensation**

USNFC compensation for the services described herein is derived entirely from matches of clients to other RIAs/IARs. Such RIAs/IARs pay a referral fee to USNFC, but they are prohibited from charging any part thereof to USNFC clients.

*See Item 10.D (Recommendation of Other Advisers or Managers and How This Adviser is Compensated for Those Selections) for a description of how USNFC is compensated.*

**Item 15      Custody**

This item is not applicable to the business activities of USNFC.

**Item 16      Investment Discretion**

This item is not applicable to the business activities of USNFC.

**Item 17      Voting Client Securities**

This item is not applicable to the business activities of USNFC.

**Item 18      Financial Information**

USNFC has not been the subject of a bankruptcy petition in the last ten years.