

Financial Advocates Investment Management, LLC (“FAIM”) is registered with the U.S. Securities and Exchange Commission (“SEC”) as an investment adviser through which our Financial Professionals offer various investment advisory services. It’s important to understand that investment advisory services are different than brokerage services and the types of fees we charge for advisory services are different from what other firms charge for brokerage services. You can access free and simple tools to research firms and financial professionals at [www.investor.gov/CRS](http://www.investor.gov/CRS), which also provides educational materials about investment advisers, broker-dealers, and investing.

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## WHAT INVESTMENT SERVICES AND ADVICE CAN YOU PROVIDE ME?

FAIM offers discretionary investment advisory services to retail investors without any material limitations, but we also offer non-discretionary consulting services where you will make the ultimate decision regarding the purchase or sale of investments. Our services include wrap programs and non-wrap fee programs, mutual fund asset allocation programs, model portfolio asset allocation programs, digital advice programs, retirement plan consulting, financial planning and consulting services, advice for self-directed retirement accounts and other custom advisory and consulting services.

We typically monitor accounts, and specific investments within accounts, on an ongoing basis to align with your investment goals. However, we do not provide ongoing monitoring for limited-scope consulting or advisory relationships. Your account may have specific requirements such as account or investment minimums that vary depending upon the advisory program you select. We do not offer proprietary products or a limited menu of products or types of services.

For certain program accounts, you’ll grant us discretion to buy and sell investments in your account without asking you in advance. In other programs, you’ll grant investment discretion to another financial institution. In addition, you may limit our investment discretion and recommendations, such as by imposing reasonable restrictions on investing in specific securities or types of securities.

Some of our Financial Professionals are registered representatives of LPL Financial LLC (“LPL”), an SEC registered broker-dealer and investment adviser. Your Financial Professional may offer you brokerage services through LPL or investment advisory services through FAIM. In particular, your Financial Professional may earn additional transaction-based compensation and have additional conflicts of interest as a result of providing brokerage services through LPL. You are encouraged to learn more about LPL by reviewing <https://www.lpl.com/disclosures.html> and having a discussion with your Financial Professional. More detailed information about FAIM’s advisory services can be found in our Form ADV Part 2A at [www.financialadvocates.com/adv2a](http://www.financialadvocates.com/adv2a), specifically Sections 4 and 7.

### QUESTIONS TO ASK YOUR FINANCIAL PROFESSIONAL

- Given my financial situation, should I choose an investment advisory service? 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?

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## WHAT FEES WILL I PAY?

In most cases, we charge an ongoing quarterly fee (sometimes referred to as an asset-based fee). This fee is a percentage of the value of your account. You pay this fee even if you don’t buy or sell investments. The more assets you have in an asset-based fee account, the more you’ll pay us in fees. This creates an incentive to encourage you to increase the size of your account, including by transferring or rolling over assets from other accounts. For some types of accounts, there is a per transaction charge, in addition to our asset-based fee. We may also charge an hourly fee or fixed fee for services such as financial planning, retirement consulting and custom advisory services that are of limited duration or nature. The fee you pay to us is generally negotiated with your Financial Professional directly, and is subject to different maximums, depending on the advisory program selected.

For wrap fee program accounts, you will pay a single asset-based fee for advisory services. This fee also covers most transaction costs and certain administrative and custodial fees to your third-party custodian with custody of these assets. If you expect to trade infrequently or to pursue a “buy and hold” strategy, a wrap fee program may cost you more than paying for the program’s services separately.

**Other Fees and Costs:** For some of our non-wrap fee programs, investments held directly by the investment product sponsor, or, if you choose to implement recommendations we make in financial planning, retirement consulting or custom advisory services, you will generally incur transaction fees assessed by the third-party custodian of your investments.

**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.** Detailed information about our advisory fees can be found in our Form ADV Part 2A at [www.financialadvocates.com/adv2a](http://www.financialadvocates.com/adv2a), specifically Section 5.

#### **QUESTIONS TO ASK YOUR 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?

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#### **WHAT ARE YOUR LEGAL OBLIGATIONS TO ME WHEN ACTING AS MY INVESTMENT ADVISER? HOW ELSE DOES YOUR FIRM MAKE MONEY AND WHAT CONFLICTS OF INTEREST DO YOU HAVE?**

When we 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 investment advice we provide you. Here are some examples to help you understand what this means.

Some of our Financial Professionals are insurance agents appointed with various insurance companies and some are insurance agents running their own insurance agency. This presents a conflict of interest to the extent that the agent recommends that a client purchase insurance which results in a commission being paid to that agent.

Also, some of our Financial Professionals may receive certain custodial services for free if they maintain client assets at a stated level. This may give the Financial Professional an incentive to recommend that clients maintain their accounts with one custodian over another based on the Financial Professional's interest in receiving services that benefit their business rather than based on client interest.

#### **QUESTIONS TO ASK YOUR FINANCIAL PROFESSIONAL**

- How might your conflicts of interest affect me? How will you address them?

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

FAIM pays its Financial Professionals a percentage-based portion of the advisory fees he or she negotiates with you on our behalf. The percentage he or she receives is based on various factors, including the particular program you select, scope of services rendered, complexity and amount of assets managed or advised. Some of our Financial Professionals may receive forgivable loans in connection with transitioning to or retaining his or her business with FAIM. Our Financial Professionals may

also receive compensation from us in other ways, including waived or reduced costs and fees (e.g., for administrative services that we provide for your accounts, attending our conferences and events, and free or reduced-cost marketing materials). These waived and reduced costs and fees create an incentive for advisors to associate with us instead of other financial firms.

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

Yes, some of them do. You can access the legal and disciplinary history of FAIM and our Financial Professionals using a free and simple search tool at [www.investor.gov/CRS](http://www.investor.gov/CRS).

#### **QUESTION TO ASK YOUR FINANCIAL PROFESSIONAL**

- As a Financial Professional, do you have any disciplinary history? For what type of conduct?

#### **Additional Information**

**For more information, please review our Form ADV Part 2A at [www.financialadvocates.com/adv2a](http://www.financialadvocates.com/adv2a). To request up-to-date information or a copy of this Client Relationship Summary, please call us at (360) 866-2345.**

We also encourage you to review the general information provided by the SEC regarding investing, choosing an investment professional, and related considerations, available by visiting [www.investor.gov](http://www.investor.gov).

#### **QUESTIONS TO ASK YOUR 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?