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## INTRODUCTION

Independent Financial Group, LLC ("IFG") is a registered investment adviser ("RIA") with the Securities and Exchange Commission ("SEC"), a broker/dealer and member of the Financial Industry Regulatory Authority ("FINRA") and a member of the Securities Investors Protection Corporation ("SIPC").

Depending on your needs and investment objectives, we can provide you with services in a brokerage account, investment advisory account, or both at the same time. There are several differences between the fees, costs, and services available in brokerage and investment advisory accounts. It is important for you to understand that our brokerage and investment advisory services are separate and distinct. Keep in mind that your financial professional may only be licensed to provide one of the two services.

Free and simple tools are available to research firms and financial professionals at [investor.gov/CRS](https://investor.gov/CRS), which also provides educational materials about broker/dealers, investment advisers and investing.

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## RELATIONSHIPS AND SERVICES

### *What investment services and advice can you provide me?*

IFG offers brokerage services and investment advisory services to retail investors. We provide investment advisory services through individually licensed Investment Advisor Representatives ("IARs") and we provide brokerage services through individuals who are licensed Registered Representatives ("RRs") of IFG in its broker/dealer capacity.

### Brokerage Services

In our broker/dealer capacity, we offer traditional brokerage services to retail investors, including buying and selling securities, creating portfolio allocations, and making various recommendations to purchase, sell, or hold securities. Additional services can include education and research regarding the products offered.

- **Account Minimums:** There is no account minimum to open or maintain a retail brokerage account; however, due to transactional and custodial fees, you should consider such costs prior to opening an account.
- **Investment Authority:** RRs do not have the discretion to buy or sell securities for you without your prior approval. This means that you make the decision to buy, sell or hold securities.
- **Account Monitoring:** After effecting a securities transaction, IFG does not provide ongoing monitoring of retail accounts.

### Investment Advisory Services

In our investment advisory capacity, our IARs work with you to determine the specific types of advisory services that will best meet your needs. IFG offers asset management through our advisory program, wrap fee program, and financial planning. A description of these services can be found in "Item 4" of the applicable ADV Disclosure Brochure which can be found on our website at [ifgsd.com/reg-bi-investor](https://ifgsd.com/reg-bi-investor).

- **Account Minimums:** There are certain minimum investment amounts for some of our advisory accounts. More specific information can be found in "Item 7" of the applicable ADV Disclosure Brochure located at [ifgsd.com/reg-bi-investor](https://ifgsd.com/reg-bi-investor).
- **Investment Authority:** IFG offers both discretionary and non-discretionary accounts. For discretionary accounts, your IAR will decide what and when investments are purchased and sold in the account. For non-discretionary accounts, you will make the ultimate decision regarding the purchase and sale of investments.
- **Account Monitoring:** Your IAR will provide ongoing monitoring of your advisory account(s) based on an agreed upon frequency. IFG, however, will not monitor your advisory account.

## Limitations on Services

Although there is a wide variety of investment choices available, your financial professional is limited to offering the products approved by IFG. IFG does not have proprietary products. Other firms could provide advice on a wider range of choices, some of which might have lower costs. Additionally, your financial professional may only offer products and services that they are licensed to offer. Please review the "Investment Choices" section of our website [ifgsd.com/reg-bi-investor](https://ifgsd.com/reg-bi-investor) to obtain more information about investment choices available through IFG.

To help you determine between brokerage services and investment advisory services, additional information is available on our website at [ifgsd.com/reg-bi-investor](https://ifgsd.com/reg-bi-investor) under the "Understanding the Difference Between Brokerage and Investment Advisory Services" section.

## CONVERSATION STARTERS

- 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?

You can find out more about your financial professional's designations at:

[finra.org/investors/professional-designations](https://finra.org/investors/professional-designations).

## FEES, COSTS, CONFLICTS, AND STANDARD OF CONDUCT

### *What fees will I pay?*

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 investment over time. Please review what fees and costs you are paying. IFG has provided information regarding fees and costs on our website at [ifgsd.com/reg-bi-investor](https://ifgsd.com/reg-bi-investor).

### Brokerage-Related Fees and Costs

The costs for brokerage services are typically based on a per item transaction charge, often called a commission, sales load, or mark-up/mark-down for each trade you make in your account. This transaction charge presents a conflict of interest because it creates an incentive for us to encourage you to trade often. Please refer [ifgsd.com/reg-bi-investor](https://ifgsd.com/reg-bi-investor) for additional information regarding brokerage fees.

### Investment Advisory-Related Fees and Costs

Advisory fees will typically be based on a percentage of the assets held in your investment advisory account. Therefore, we have an incentive to encourage you to increase the assets in your account. This fee is expressed as an annual percentage (for example, 1.25%) of your account value and is charged on a quarterly basis, calculated at either the beginning or at the end of each quarter. The fee may or may not include brokerage transaction charges, depending on the service you choose. Each advisory account has an agreement that explains its fees and charges in detail. More specific information about our advisory fees can be found in "Item 5" of the applicable ADV Disclosure Brochure which can be found at [ifgsd.com/reg-bi-investor](https://ifgsd.com/reg-bi-investor).

### Other Fees and Costs

Various account types and transactions will have different or additional fees and costs to maintain your account. Fees and costs can be at the custodial level or internal costs that affect the return of the investments that you own.

- **Account-Related:** Depending on the type of account, these fees and costs include, but are not limited to, account maintenance fees, wire transfer fees, check fees, termination fees and transfer fees.
- **Transaction-Related:** These fees and costs are charged per transactions and vary depending on the type of transaction and product. Such fees and costs include ticket charges and confirmation fees.

- **Product-Related:** Fees and costs vary depending on a variety of factors including, but not limited to, asset type, complexity of the product and life cycle of the investment. Such fees and costs include management fees and expenses, 12-b1 fees, servicing fees, offering and organization costs and other administrative costs. You can learn about these fees and costs by reviewing the product-specific prospectus or offering material.

### CONVERSATION STARTERS

- 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 interests do you have?***

When we provide you with a recommendation as your broker-dealer or act as your investment adviser, we must 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 recommendation and investment advice we provide you. Here are some examples to help you understand what this means.

#### **Brokerage-Related Conflicts of Interests**

- In brokerage accounts, you are charged each time you place a trade or purchase an investment product. IFG and your financial professional receive this payment. This creates a conflict of interest because it creates an incentive to encourage you to trade often.
- Brokerage products have different commission schedules that vary by investment type. Therefore, your RR has an incentive to recommend products that pay higher commissions over another product that may pay a lower commission.

#### **Investment Advisory-Related Conflicts of Interests**

- In advisory accounts, you are charged an advisory fee which is calculated based on the amount of assets held in your advisory account. The more assets you have in the account, the more you will pay in fees, and therefore we have an incentive to encourage you to increase the amount of assets in your advisory account.
- For financial planning clients, your financial professional can recommend products and/or services outside of an advisory relationship. If you facilitate these recommendations through your financial professional, they will receive additional compensation for these transactions or services in addition to the financial planning fee.

You can find more detailed information about our investment advisory-related conflicts of interest and how we mitigate them in the applicable ADV Disclosure Brochure located at [ifgsd.com/reg-bi-investor](http://ifgsd.com/reg-bi-investor).

#### **Additional Conflicts of Interests**

- **Third-Party Payments:** IFG receives third-party payments and sponsorship support for educational conferences with sponsor companies. These arrangements are at the firm level; however, your financial professional indirectly benefits from these relationships through educational conferences and marketing support which can influence their product selection.
- **Revenue Sharing:** In addition, IFG also makes money through revenue sharing agreements with custodians and sponsor companies in which they share with us a part of the revenue they earn on your accounts and investments. These arrangements are at the firm level and your financial professional does not participate in the revenue sharing.

### CONVERSATION STARTERS

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

Please refer to the "Investment Choices, How IFG is Compensated, and Conflicts of Interest" section of our website at [ifgsd.com/reg-bi-investor](http://ifgsd.com/reg-bi-investor) for more information.

## ***How do your financial professionals make money?***

### **Brokerage Services**

Financial professionals can make money on retail brokerage accounts by earning a commission or a mark-up/mark-down when placing transactions. Commissions vary by product-type, share class chosen, and amount invested. Commissions and mark-up/mark-down compensation are determined by the size of the transaction, availability and how long the product is meant to be held. IFG has placed additional information on how your financial professional gets paid on our website at [ifgsd.com/reg-bi-investor](https://ifgsd.com/reg-bi-investor).

IFG receives a portion of the brokerage-related compensation paid to your financial professional.

### **Investment Advisory Services**

When acting as an IAR, your financial professional earns a fee based on the amount of assets in your account. Each advisory account has an agreement that explains its fees and charges in detail. Additionally, the IAR can charge for advice provided, such as in a financial plan. Fees are disclosed in the financial planning agreement and are based on the time and complexity required to complete the financial plan.

IFG receives a portion of the investment advisory-related compensation paid to your financial professional.

### **Other Compensation**

Your financial professional indirectly benefits from IFG's revenue sharing agreements and sponsorship support through educational conferences and marketing support. Educational conferences are generally sponsored by product vendors who cover all or some of the cost for your financial professional to attend. Your financial professional receives marketing support through the form of reimbursement for certain events held by the financial professional and marketing materials. The receipt of these forms of compensation presents a conflict because it creates an incentive for the financial professional to recommend those sponsors and their investment products over others that do not offer these types of compensation. IFG reviews and approves such compensation to ensure that it is reasonable, not excessive, and not based on achievement of a sales target.

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## **DISCIPLINARY HISTORY**

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

Yes. You can find detailed information about IFG's disciplinary history in "Item 9" of the applicable ADV Disclosure Brochure, which can be found on our website at [ifgsd.com/reg-bi-investor](https://ifgsd.com/reg-bi-investor) and through FINRA's BrokerCheck available at [brokercheck.finra.org/firm/summary/7717](https://brokercheck.finra.org/firm/summary/7717).

You can also review the BrokerCheck record of your financial professional at [brokercheck.finra.org](https://brokercheck.finra.org).

Please visit [investor.gov/CRS](https://investor.gov/CRS) for a free and simple search tool to research IFG and your financial professional.

#### **CONVERSATION STARTERS**

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

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## **ADDITIONAL INFORMATION**

You can find a copy of this document and more information about our brokerage and investment advisory services on our website at [ifgsd.com/reg-bi-investor](https://ifgsd.com/reg-bi-investor).

**To request a copy of our relationship summary or request up-to-date information, please call us at 1-800-269-1903 or send an email to [compliance@ifgsd.com](mailto:compliance@ifgsd.com).**

If you have concerns about how your financial professional is treating you, contact the IFG Compliance department at the number above.

#### **CONVERSATION STARTERS**

- Who is my primary contact person? Is he or she a representative of an investment adviser or broker-dealer? Who can I talk to if I have concerns about how this person is treating me?