



Making written information easy to understand.



“Explaining the differences between broker dealers and investment advisors means using language that is clear, concise, and accurate. A hypothetical comparison must always keep the investor in mind. This is what we have done in the example attached as Appendix A. In contrast, what the SEC has presented as a hypothetical description is overly complex, redundant, and (at times) vague about the differences. That means the investor is left to figure out the distinctions instead of being presented with information that makes their choices easy.”

- Deborah S Bosley, Ph.D., Owner and Principal,
The Plain Language Group
<http://www.theplainlanguagegroup.com/>

Appendix A: The Plain Language Group’s Form CRS Relationship Summary Hypothetical Disclosure

Broker or Adviser. Which is Right for You?

	Broker-Dealer Services, Brokerage Accounts*	Investment Advisory Services, Advisory Accounts*
What kind of advice do we give?	By law, if you open a brokerage account, we only give you incidental advice related to the products you buy through us.	By law, if you open an advisory account, we must give you fiduciary advice in your best interest at all times.
Who do we represent?	We represent issuers or underwriters (called “manufacturers”) who sell financial products. We do not represent you. Our relationship is three parties: manufacturers, ourselves, and the customer.	We only represent you. You pay our fees and we advise you. Period. Ours is a two-party relationship.
Why?	Brokers are hired and trained to sell products offered by issuers or underwriters (manufacturers).	Advisers are hired and trained to give fiduciary advice.
How are we paid?	Commissions. We get commissions when you buy or sell financial products, based on the product and what we negotiate. Sometime we also get payments from third parties. Ask us what your 1 st year all-in fees/costs will be.	Fees. We generally get a fee, that’s hourly, fixed, or based on the value of the cash and investments in your advisory account(s). Fees depend on our services and what we negotiate. Ask us what your 1 st year all-in fees/costs will be.
What about conflicts of interest?*	Because manufacturers pay us to sell financial products to you, we have built-in conflicts that may influence our recommendations to you.	When we are paid fees just by you, we don’t have conflicts with manufacturers. If we have a conflict, we’ll explain it so you can understand it. You can decide if you want to work with us.
What do we do about conflicts?	We must tell you about the conflict’s and reduce the conflict’s harms or eliminate it.	We are paid by you to give you advice. Still, if we have a conflict, we will tell you so you understand what it means and make sure it’s okay for you to proceed.
Where do you go for additional information?	For more information about our brokers and services, 1) visit Investor.gov or BrokerCheck (BrokerCheck.Finra.org), 2) our website (SampleFirm.com), and 3) your account agreement.	For more information on advisory services, ask us for our Form ADV brochure and any brochure supplement.
How do you research our firm?	Visit Investor.gov for a free, simple search tool to research our firm and our financial professionals.	Visit Investor.gov for a free, simple search tool to research our firm and our financial professionals.
How do you report a problem with our firm?	To report a problem to 1) the SEC, visit Investor.gov or call the SEC’s toll-free investor assistance at (800) 732-0330; 2) FINRA, call []. If you have a problem with your investments, account or financial professional, contact us in writing at [].	

* For a discussion on how the SEC addresses conflicts of interest, see: <http://www.thefiduciaryinstitute.org/wp-content/uploads/2015/08/SECandConflictsApril62015.pdf>.