

ADVISOR OR BROKER?

Guidelines to making the best choice

What does it mean to work with a financial advisor in an investment advisory relationship versus working with an advisor acting in a brokerage capacity? Listed below are some of the key benefits – and differences – to working with a financial advisor in each aspect:

ADVISORY RELATIONSHIP

Your advisor:

Provides continuous investment advice and due diligence of allocated investments

Maintains fiduciary responsibility to monitor & re-balance client portfolios

Places discretionary trades
(makes trading decisions for you)

Receives compensation through ongoing advisory fees, or flat or hourly fees for specific individual services

Note: Investment Advisor Representative is affiliated with SPC, a SEC registered investment advisor.

BROKERAGE SERVICES

Your broker:

Provides investment recommendations

Ensures suitability of investment advice and products offered

Takes customer orders & executes securities transactions
(explains options but you make trading decisions)

Receives compensation through commissions on securities transactions

Note: Advisor acting as a broker is affiliated with Sigma Financial & Parkland Securities LLC, broker-dealers, members FINRA / SIPC

Clients may engage an advisor for specific, individual financial planning services as an alternative to, or supplement for, ongoing services in an overall advisory program. This type of service covers a variety of options. Examples range from single goals, such as helping to determine the correct asset allocation in your company's 401(k) plan, plan for college expenses, or leave a legacy; to broader services, such as preparing a comprehensive financial plan for you and your family. Clients choosing singular advisory options pay either a flat or hourly fee, which is not ongoing, earmarked to the specific planning activity. Clients engaging an advisor for financial planning services generally pay an ongoing fee based on total assets under management.



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Securities offered through Sigma Financial Corporation, member FINRA and SIPC.

Securities offered through Parkland Securities, LLC, member FINRA and SIPC.

Fee-based investment advisory services offered through Sigma Planning Corporation, a registered investment advisor.

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So how can clients determine which type of relationship is better for them? Below are some additional factors to consider when deciding whether to work with a financial advisor in either an advisory relationship or brokerage capacity:

- Do you want a financial advisor to professionally manage your investment portfolio – placing trades on your behalf without having to consult you? An advisory relationship may be appropriate.
- Would you prefer to consider recommendations and make your own investment decisions with an advisor executing your trade orders? A brokerage relationship may be the right choice.
- Do you need a fiduciary partner to provide ongoing investment advice in your best interests? An advisory relationship may be most appropriate.
- Would you prefer occasional notifications and explanations of suitable investments, with no ongoing obligations? A brokerage relationship may be the right choice.
- Do you want to work with a financial advisor, paying a fee consistent with your assets under management, which is not tied to the number or type of account transactions? An advisory relationship may be appropriate.
- Would you prefer instead to pay transactional commissions or trades you select rather than periodic fees? A brokerage relationship may be the right choice.

Sometimes, an advisory relationship may be more expensive than brokerage services, while in other cases, a brokerage relationship may cost more. Depending on your situation and your needs, the factors above may help you determine the appropriate relationship to choose for your investments.

Remember too, your relationship with a financial advisor is ongoing, and can change over time to meet your needs, objectives, and tolerance for risk, as well as your capacity to handle risk and market volatility or security liquidity. We believe that when it comes to financial matters, the value of professional advice cannot be overestimated.

When acting under the advisory relationship, Sigma Planning Corporation (SPC) and its financial advisors are required to act as fiduciaries, and disclose all material conflicts of interest between SPC and its advisory clients. To do so, SPC must deliver a Form ADV brochure to clients at the time of engagement, and alert clients to any material changes to the Form ADV brochure on an annual basis. The ADV brochure contains important information about SPC and the financial advisor, as well as the services provided, fees to be paid for the advisory relationship, and any material conflicts of interest. To review details, SPC's Form ADV brochures are available at www.spc4clients.com.

SPC is a registered investment advisor (RIA), registered with and regulated by the SEC. SPC is jointly operated with Sigma Financial Corporation and Parkland Securities LLC, broker-dealers, members FINRA / SIPC. This means that one of our financial advisors can offer you both investment advisory and brokerage services, depending on your needs and preferences. Each of these services can help you work toward your investment goals in different ways. We want to make you aware of some of the important factors you should consider when deciding on which type of service is best for you. If you have any questions, your financial advisor can provide you more information.



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