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**Item 1: Introduction**

**Independent Financial Partners ("IFP")** has both a broker-dealer (IFP Securities, LLC) and a registered investment adviser (IFP Advisors, LLC) registered with the Securities and Exchange Commission (SEC). IFP Securities, LLC is a member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investor Protection Corporation (SIPC).

Brokerage and investment advisory services fees differ, and it is important for you to understand these differences. Free and simple tools are available to research firms and financial professionals (FPs) at [investor.gov/CRS](http://investor.gov/CRS), which also provides educational materials about investment advisers, broker-dealers, and investing.

**Who is IFP?**

IFP functions as both a Registered Investment Adviser and Broker-Dealer:

- A *Registered Investment Adviser*, as defined by the SEC, is “any person or firm who, for compensation, engages in the business of advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, purchasing, or selling securities, or who, for compensation and as part of a regular business, issues or promulgates analyses or reports concerning securities.”
- A *Broker-Dealer*, as defined by the FINRA, is a “company that is in the business of buying and selling securities—stocks, bonds, mutual funds, and certain other investment products—on behalf of its customers (as broker), for its own account (as dealer), or both.”

As a registered investment adviser and independent broker-dealer, IFP supervises and processes the investment business of the FPs who affiliate with us. These FPs are independent business owners who provide financial guidance to clients looking for assistance. IFP provides back office services including processing client transactions and providing the technology platform, research capabilities, and other support services to assist FP’s in serving clients.

Because the financial services industry is heavily regulated, FP’s must register with an investment advisor and/or a broker-dealer. IFP is responsible for following state and federal securities laws/regulations, as well as for ensuring that our financial professionals:

- Follow securities laws and regulations
- Are properly registered and licensed
- Correctly complete and maintain paperwork
- Demonstrate Best Interest or a Fiduciary Duty
- Disclose or avoid conflicts of interest

IFP or one of its FP's will assist you in making an account assessment. When we make recommendations regarding your commission-based brokerage account, we are acting as a broker-dealer. When we make recommendations regarding your advisory account, we are acting as an investment adviser. When we make a recommendation to you, we will expressly tell you which account we are discussing.

*Through our network of FPs, we offer the following investment opportunities:*

- Mutual Funds
- Variable Products
- Retirement Plans
- Individual Securities
- Asset Management Programs
- Unit Investment Trusts
- Fixed Income Securities
- Alternative Investments
- Third-Party Investment Managers
- 529 College Savings Plans
- Financial Planning/Consulting

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For additional information, please visit our website at [ifpartners.com](http://ifpartners.com)

## Item 2: Relationships and Services

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

#### **Investment Advisory Services**

IFP's suite of investment advisory services are designed to accommodate a wide range of client investment philosophies and objectives. As is the case with brokerage services, advisory services clients have access to an array of securities products, including, but not limited to, common and preferred stocks; municipal, corporate, and government fixed income securities; mutual funds; exchange-traded products (ETPs); options and derivatives; unit investment trusts (UITs); and variable insurance products.

IFP allows advisors to offer clients several managed account investment options and unaffiliated third-party asset manager (TPAM) programs.

In contrast with a brokerage account, where you pay a commission on a transaction basis, with an advisory, or "managed," account, you pay a fee that is typically based on a percentage of the value of the assets in your account.

#### **Advantages of managed accounts include:**

- You pay no commissions or sales charges
- You can provide your advisor with the authority to manage your account on an ongoing basis

#### **Disadvantages of managed accounts include:**

- Your asset management fees may be greater than comparable transaction-based commission charges
- The availability of certain product types (e.g., variable annuities, alternative investments) and features may be limited.

#### **Broker-Dealer Services**

When you invest through a brokerage account, your FP receives a commission for buying or selling securities products. This compensation occurs on a transactional basis. As a result, a brokerage relationship may be best for clients who are seeking a pure buy-and-hold strategy (i.e. purchase a security with the intention of not selling it for a long time) (i) where the anticipated volume of transactions would result in you paying lower fees and expenses in the form of commissions, as compared with an investment advisory relationship that pays an ongoing "assets under management fee", based upon comparing our prevailing fee schedules against your anticipated account activity/needs, (ii) where you place orders based upon your own initiative, and do not desire, need or otherwise utilize investment advice, but essentially want to use our services for "order placement-only." In addition, through a brokerage relationship, your FP may provide education, research, and information regarding financial products, but he or she may not be obligated to provide ongoing investment advice, which is the duty of an advisor to clients in an advisory relationship.

The commissions you pay will depend on the type and nature of the security purchased or sold in your account. There are, for example, several different share classes of mutual funds, and each comes with different sales charges and expenses. Brokerage accounts also will incur certain account fees. (Please note: Advisory accounts may incur certain account fees as well.) For a list of fees charged by IFP brokerage accounts and related services, please ask your FP.

#### **Financial Planning and Consulting Services**

Financial planning can be described as helping you determine and set your long-term financial goals, through investments, tax planning, asset allocation, risk management, retirement planning, and other areas. We offer

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advisory services in the form of comprehensive and model based financial plans, also through recommendations. These services do not involve actively managing your accounts.

Unless engaged in an investment advisory capacity, our financial professionals do not monitor your account after effecting a securities transaction for you, including those investments our financial professionals recommend.

**Questions to ask your FP:**

- *Given my financial situation, why should I choose an advisory account? Should I choose a brokerage service? Should I choose both types of services?*
- *How will you choose investments to recommend to me?*

Education keeps your FP in the know. Through conferences, seminars, and online training opportunities, we help keep your FP abreast of the ever-changing financial industry so that he or she can provide the best recommendations possible.

***It is important to understand how your FP can provide services and/or what limitations they may have.***

**Questions to ask your FP:**

- *What is your relevant experience, licenses, education, and/or other qualifications? What do those qualifications mean?*

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**Item 3: Fees, Costs, Conflicts, and Standard of Conduct*****What fees will I pay?***

Fees vary depending on the types of services provided and the capacity in which you have engaged your FP. For example, there are several different share classes of mutual funds, and each comes with different sales charges and expenses. This information is provided to you in various methods including but not limited to prospectuses, agreements, offering documents etc. Be sure to ask your FP to explain fees, costs, and limitations (such as investment amounts) relevant to the services they are providing and the investments you are purchasing.

**Questions to ask your FP:**

- *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 cost, 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 interest do you have?***

When we provide you with a recommendation as your investment adviser or as your broker-dealer, 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 recommendations and investment advice you receive.

An example of a conflict, as noted above, is that IFP Advisors, LLC and IFP Securities, LLC are under common ownership. Your FP may suggest that you implement investment advice by purchasing securities products through a commission based IFP Securities, LLC account. If you choose to purchase these products through IFP Securities, LLC., IFP and your FP will receive a commission based on the specific product purchased. A conflict will exist between the interests of IFP, your FP and your interests because your FP will earn compensation for each arrangement. A commission for the commission-based account an advisory fee for managed account and a fee for financial planning services when applicable.

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You are free to implement investment advice through any broker-dealer or product sponsor you chose. However, you should understand that, if you authorize our FP to engage in securities transactions on your behalf, your FP must place all purchases and sales of securities products through IFP Securities, LLC or other IFP approved institutions.

**Questions to ask your FP:**

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

**How do your FPs make money?**

Not only do you want to know how much you will pay in fees, but you should also understand how your FP is incentivized. Your FP has an incentive in the fee charged to you as they receive a percentage of the fee with the remaining amount of the fee retained by IFP.

A FP will either earn a commission for recommending a product or service if they are acting in a broker capacity or they may earn a fee in the form of a one-time fee or an ongoing fee if they are acting in an advisory capacity. Depending on your facts and circumstances, either or both are appropriate. In addition, IFP and your FP can receive additional compensation from third-party firms. If you are interested in learning more, please review IFP's Revenue Sharing Disclosure [here](#) or at [ifpartners.com/disclosures](http://ifpartners.com/disclosures).

Our FPs are compensated based on:

- the amount of client assets they service;
- the time and complexity required to meet a client's needs;
- the product sold (i.e., differential compensation);
- product sales commissions; and/or
- revenue the firm earns from the FP's advisory services or recommendations.

*\* 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.*

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**Item 4: Disciplinary History**

**Do you or your FPs have a legal or disciplinary history?** Some of our FPs have a legal or disciplinary history. You may look at [FINRA BrokerCheck](#) or our [Investment Adviser Public Disclosure \(IAPD\)](#) for our disciplinary history. Also, please ask your FP if they do have a disciplinary history and for what type of conduct. Please visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research IFP and your FPs.

**Questions to ask your FP:**

- *As an FP, do you have any disciplinary history? For what type of conduct?*

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**Item 5: Additional Information**

For additional information about our FP's and our services, please visit the following sites:

- [IFP Website](#)
- [IFP Disclosures](#)
- [Investment Adviser Public Disclosure Site \(IAPD\)](#)
- [FINRA BrokerCheck](#)
- [SEC Website](#)

You can request up-to-date information by contacting us at [compliance@ifpartners.com](mailto:compliance@ifpartners.com) (813)-341-0960 or find a current copy of our client relationship summary by visiting the disclosure section of [our website](#) ([ifpartners.com](http://ifpartners.com))