



RETIREMENT PLANNING SPECIALISTS | SINCE 1981

A Summary of your Advisory Relationship with Financial Designs

February 15, 2024

Is an investment advisory account right for you?

Financial Designs is registered with the Securities and Exchange Commission as an Investment Advisor. We are a fee-based only investment advisor which differs from brokerage fees that work on commission, and it is important that you—as a retail investor—understand the differences. Free and simple tools are always available for you to research firms and financial professionals at [Investor.gov/CRS](https://www.investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisors, and investing.

What investment services and advice can you provide me?

Financial Designs offers investment advisory services to retail investors, focusing primarily on retired or soon- to-be retirees. We approach our services holistically... meaning we recommend investments only after we have delved extensively into your financial situation and life goals. Generally, we require a minimum investment of \$500,000, however, we will offer advice and financial plans based on any amount. Our description of services include:

- A Financial Plan
- A Retirement Roadmap and Investment Model based on your income needs, retirement goals, lifestyle requirements, current assets, risk tolerance and investment objectives
- Annuities offered as a tool for complimenting your investment goals
- Portfolio Management through a Wrap Fee program which means we pay all the trading transaction costs
- Continual monitoring of your investment accounts
- Discretionary control over your investments so that you can focus on other aspects of your life— however, you are ultimately in control of your money and can make the final decisions if you wish

Conversation Starters:

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?

What fees will I pay?

Fees are based on your account balances and calculated as a percentage of assets under our management. The more assets there are in your advisory account, the more you will pay in fees. Therefore, we have an incentive to encourage you to increase the assets in your account. All transaction fees are paid by Financial Designs through their Wrap Fee program. The fees that you pay to Financial Designs for investment advisory services are separate and distinct from the fees and expenses charged by investment companies (i.e., mutual funds, exchange traded funds, unit investment trusts and variable annuities). These fees are described in each fund's prospectus. These fees will generally include a management fee and other fund expenses. The broker-dealer or custodian may charge your account other fees. We do not share in any portion of these fees imposed by the broker-dealer or custodian. *You will pay fees whether you make money or lose money on your investments. Fees 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.*

Conversation Starter:

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 acting as my investment advisor? How else does your firm make money and what conflicts of interest do you have?

When we act as your investment advisor, we must act in your best interest and not put our interests 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 is an example to help you understand what this means:

All investment advisers face conflicts of interest which are inherent in the business. Our primary source of compensation is through asset based fees. Therefore, we are incentivized to acquire new clients and to increase assets under management. Other conflicts of interest result from other business activities we engage in and relationships we have with business partners and third parties, or affiliations we have established with other financial institutions.

When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. We have to act in your best interest and not put our interests ahead of yours. At the same time, the way we make money creates some conflicts with your interests.

Please refer to our Form ADV Part 2A and/or Form ADV Part 2A Appendix 1 for further information on our conflicts of interest and how we address them at the following link:

<https://adviserinfo.sec.gov/firm/brochure/14829>.

How do your financial professionals make money?

Our financial professionals receive either hourly based compensation or a pass-through distribution of the profits of the firm. Therefore, our financial professionals have an incentive to encourage you to increase the assets in your account. Our financial professionals are insurance agents. This creates a conflict of interest because these persons will receive additional commission-based compensation in connection with the purchase and sale of insurance products. You are not required to purchase insurance or securities from our financial professionals.

Conversation Starter:

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

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

No, our firm and financial professionals do not have legal and/or disciplinary history. You are encouraged to visit Investor.gov/CRS for a free and simple tool to research the firm and its financial professionals.

Conversation Starters:

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

Additional Information

For additional information about our advisory services, please refer to our Form ADV Part 2A brochure available at <https://adviserinfo.sec.gov/firm/brochure/14829> and the individual Form ADV Part 2B brochure supplement(s) your representative provides. If you have any questions, need up-to-date information and/or need a copy of this Client Relationship Summary, please contact us at (800) 823-0398.

Conversation Starters:

Who is my primary contact person? Is he or she a representative of an investment advisor or broker-dealer?

Who can I talk to if I have concerns about how this person is treating me?