

# Customer Relationship Summary

Private Advisor Group (PAG) is registered with the U.S. Securities and Exchange Commission as an investment adviser. Investment advisory and brokerage services and fees differ, and it is important for you to understand the differences in order to choose which type of account is right for you. There are free and simple tools available to research firms and financial professionals at [investor.gov/crs](https://investor.gov/crs), which also provides educational materials about investment advisers, broker-dealers, and investing.

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

- PAG offers investment advisory services to retail investors, and our financial professionals are called Advisors. Some of the services we offer are wealth management, insurance consulting, and financial planning. Through these services, we can access investment products such as stocks, bonds, exchange-traded funds (ETFs), and mutual funds.
- You will typically give us discretionary authority on your account by signing our Investment Advisory Agreement, which means your Advisor will make buy and sell decisions without calling you first, and your account will be monitored on an ongoing basis. If you do not give us discretionary authority or select a third-party advisory program, you will make the ultimate decision regarding the purchase or sale of investments and will need to speak with your Advisor prior to each transaction.
- Our services include non-wrap fee programs and wrap fee programs. In a non-wrap fee program, advisory fees and trading costs are both paid by you. In a wrap-fee program, most advice fees and trading costs are wrapped up into one fee that is typically higher than the advisory fee paid for a non-wrap-fee program.
- PAG has no minimum account size or investment amount, but our Advisors may have minimums. There is no ongoing monitoring for limited scope engagements, such as creating a financial plan or consulting services. For more detailed information on services offered, please review PAG's Part 2A Brochure and read items 4 and 7.

**Note:** Some of our Advisors are registered representatives of LPL Financial LLC ("LPL"), an SEC registered broker-dealer and investment adviser. If so, your Advisor may offer you brokerage services through LPL or investment advisory services through PAG. Brokerage services and investment advisory services are different, and the fees we, and LPL, charge for those services are separate. It is important that you understand the differences. Your Advisor may earn additional transaction-based compensation and have additional conflicts of interest as a result of providing brokerage services through LPL. You are encouraged to learn more about LPL by reviewing [lpl.com/disclosures.html](https://lpl.com/disclosures.html) and having a discussion with your Financial Professional.



**ASK YOUR FINANCIAL PROFESSIONAL:** 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?

## What fees will I pay?

- **Percentage Fee:** PAG generally charges a fee that is a percentage of the assets to be managed. The fee is negotiable, with a maximum annual fee of 2.25%. The fee is based on the value of the investments in your account and charged quarterly in advance. A percentage fee may create a disincentive for your Advisor to perform additional work because that work will not increase his or her compensation. Your Advisor may have an incentive to perform less work for clients with fewer assets. Since fees increase when assets increase, your Advisor has an incentive to encourage you to increase the assets in your account.
- **Flat Fee:** PAG may agree to charge a fixed or flat fee for its services, charging a specific dollar amount for a specific time period. A fixed fee may create a disincentive for your Advisor to perform additional work because that work will not increase his or her compensation.
- **Hourly Fee:** PAG may agree to charge an hourly fee for time spent working on a client's behalf. An hourly fee may create an incentive for your Advisor to perform additional work because his or her compensation will increase with any additional work.

- **Wrap Fee and Non-Wrap Fee:** If you are in a wrap fee program, trading costs will be charged to your Advisor, so he or she will have a disincentive to perform work for you by trading in your account. If you are in a non-wrap fee program, you will pay a per-transaction charge in addition to the percentage fee.
- **Subscription Fee:** Your Advisor may provide publications or seminars for which you may be required to pay a subscription fee.
- **Custodian Fees:** You will be charged fees by the custodian where your account is held for services such as account maintenance, and you should review the fee schedule published by the custodian for those specific fees.
- **Portfolio Manager or Third-party Investment Advisory Firm Fees:** If you use the services of a portfolio manager or third-party investment advisory firms, you will be charged fees depending on the terms of your agreement with them.

**Note:** 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 ask your Advisor for personalized information and make sure you understand what fees and costs you are paying.



**ASK YOUR FINANCIAL PROFESSIONAL:** How do these fees and costs 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 when providing recommendations? How else does your firm make money and what conflicts of interest do you have?

When we act as your investment adviser, we have to 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. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. For example, our firm makes money from advisory fees that our clients pay. This is a conflict of interest because those fees reduce your investment returns. Your financial professional may also make money outside of PAG, typically as a registered representative of a broker-dealer or an insurance agent and recommendations to utilize him or her in those roles create a conflict of interest.



**ASK YOUR FINANCIAL PROFESSIONAL:** How might your conflicts of interest affect me? How will you address them?

## How do your financial professionals make money?

Your Advisor receives a portion of the investment advisory fee you pay. This creates an incentive for your Advisor to encourage you to increase the assets in your account. The portion of the investment advisory fee paid to your Advisor will differ based on the advisory service or program. Your Advisor may also make money from related fields outside PAG. For example, if your Advisor is a registered representative of LPL, they earn commissions from buying and selling securities in a brokerage account. If your Advisor is an insurance agent, they earn commissions for selling you policies or annuities. Your Advisor will also have an incentive to increase your brokerage assets or your insurance contracts. Your Advisor may attend dinners, conferences, or social events where costs are paid by investment companies, which creates an incentive for your Advisor to recommend those products.

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

Yes. PAG does, and some of our advisors do. Visit [investor.gov/crs](https://investor.gov/crs) to research PAG and our Advisors.



**ASK YOUR FINANCIAL PROFESSIONAL:** Do you have any disciplinary history? For what type of conduct?

## Where can I find additional information?

You may find additional information about our firm and services at [privateadvisorgroup.com](https://privateadvisorgroup.com). You may call us at 973-538-7010 to request up-to-date information and a copy of the relationship summary.



**ASK YOUR FINANCIAL PROFESSIONAL:** 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?