

BENJAMIN F. EDWARDS RELATIONSHIP SUMMARY DISCLOSURE

June 30, 2020



Item 1 – Introduction

Benjamin F. Edwards (“BFE” or the “Firm”) is registered with the Securities and Exchange Commission (“SEC”) as both a broker-dealer and an investment adviser. Our brokerage and investment advisory services and fees differ, and it is important for you to understand these differences. Free and simple tools are available for you to research firms and financial advisors at [Investor.gov/CRS](https://www.investor.gov/crs), which also provides educational materials about broker-dealers, investment advisers, and investing.

Important Document Note: All linked documents referenced in this document are housed on our website, benjaminfedwards.com, under the following web address: benjaminfedwards.com/RegulationBestInterest. If you received a paper copy of this document, you can identify the linked documents as those being underlined and italicized (and in blue font, if you have a color copy). You may access these on our website at the above referenced web address, or your financial professional can provide you a copy of any of our linked documents upon your request.

Item 2 – Relationship and Services: What Investment Services and Advice Can You Provide Me?

Broker-Dealer Services: As a broker-dealer, we can recommend and effect securities transactions for you, including buying and selling securities (including investment funds and products) that can either be held in accounts with Pershing LLC (Pershing), our clearing firm (“brokerage accounts”), or held in accounts directly with the issuer of the securities purchased (sometimes referred to as “directly held accounts”). We offer both taxable and retirement brokerage accounts. In addition, our brokerage accounts offer the option to hold cash in either money market funds or a bank account insured by the Federal Deposit Insurance Corporation (a “cash sweep vehicle”). More information about our broker-dealer services is available in our [Regulation Best Interest Disclosure](#) document.

Account Monitoring: We do not provide ongoing monitoring in your brokerage account; however, we may voluntarily review your account holdings for the purposes of making a recommendation.

Investment Authority: We do not have discretionary investment authority, which means that we cannot buy or sell investments in your account without first obtaining your consent. We may recommend investments to you, but you are responsible for making the decision whether to purchase or sell investments.

Limits on Investment Offerings: The investment products available to you are offered through Pershing. In general, we do not limit our investment offerings to a specific menu of investment funds or products, but we do reserve the right to restrict certain products or funds or impose certain qualifications for use of a given product. We also do not offer investments issued, sponsored, or managed by us or our affiliates (“proprietary investments”). Not all of our financial advisors can offer the full range of broker-dealer investments and services we offer.

Account Minimums and Other Requirements: We do not have any minimum account requirements for our brokerage accounts, but some of the investments you can purchase through us have minimum investment requirements.

Investment Advisory Services: As an investment adviser, we provide investment advice to you for a fee, including investment advice with respect to particular investments, as well as wrap programs and other investment advisory programs. More information about our investment advisory services is available on our [Form ADV Part 2A](#) brochure (Firm Brochure) and on our [Form ADV Part 2A Appendix 1](#) (Wrap Fee Program Brochure).

Account Monitoring: You must open an “advisory account” with us in order to participate in investment advisory programs that we sponsor. We monitor this advisory account on an ongoing basis as part of our advisory services. The frequency and limitations of this account monitoring depend on the advisory program that you select and on your financial needs. We do not monitor any other accounts (besides your advisory account) as part of our advisory services.

Investment Authority: You can grant us authority to buy and sell securities in your advisory account (consistent with your investment objectives and with restrictions you place on this authority that we agree to) without asking for your consent in advance (also known as discretion), or you may choose an arrangement in which we provide you with investment advice and you decide whether to accept or reject the advice.

Limits on Investment Advice: We do not limit our investment advice to a specific menu of securities. We also do not provide investment advice with respect to proprietary investments. Not all of our financial advisors can offer our investment advisory services, our investment advisory programs, including those programs sponsored by third parties.

Account Minimums and Other Requirements: Account minimums for our advisory programs vary. Currently, our advisory program minimums range from \$5,000 to \$200,000.

Additional Information

Additional details on the broker-dealer services we offer, including the fees and costs associated with your brokerage account, can be found on our website and in our [Regulation Best Interest Disclosure](#) document. For more information on our investment advisory services, and the fees and costs associated with your advisory account, please see the information contained in our Firm’s advisory disclosure documents: BFE’s [Firm Brochure](#) and BFE’s [Wrap Fee Program Brochure](#).

Conversation Starter: 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?

Conversation Starter: How will you choose investments to recommend to me?

Conversation Starter: What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?

Item 3 – Fees, Costs, Conflicts, and Standards of Conduct

What Fees Will I Pay?

Broker-Dealer Services

Description of Principal Fees and Costs: For our broker-dealer services, we are paid each time you trade in your brokerage account or make a new investment. This payment is typically called a “commission,” but it may also be called a “sales charge” or a “markup.” This kind of payment presents a conflict for us because it creates an incentive to encourage you to trade more and make additional investments. The commission rate or amount varies, depending on the investment and the size or amount of the transaction. More information about commission payments is available on our [Equity and Options Commission Schedule](#) and our [Fixed Income Transaction Fee Schedule](#). In addition, investments that are interests in investment funds, such as mutual funds and UITs, or products, such as 529 plans and insurance products, bear ongoing fees and expenses, which you pay indirectly because they are factored into the cost of the investment. Below is information about the fees and costs you will typically pay or bear for the types of investments generally purchased or traded by our clients. More information about the fees and costs associated with the products listed in the following sections titled *Investments*, *Investment Funds* and *Investment Products*, is available in our [Regulation Best Interest Disclosure](#) document.

Investments

Equities: You will pay a commission every time you buy or sell an equity, such as a stock of a publicly traded company. More information about commission payments is available on our [Equity and Options Commission Schedule](#).

Bonds: You will pay a markup (or commission) every time you buy or sell a bond, such as a corporate, government, or municipal bond. More information about bond markup payments is available on our [Fixed Income Transaction Fee Schedule](#).

Options: You will pay a commission every time you buy or sell an option contract. More information about option contract commission payments is available on our [Equity and Options Commission Schedule](#).

Investment Funds

Mutual Funds: You will pay an up-front sales charge or load when you buy shares in a mutual fund. Mutual funds typically also deduct other ongoing fees and expenses, such as 12b-1 fees, management fees, or servicing fees, from fund assets.

Closed-End Funds: You will pay a sales charge when you buy shares in a closed-end fund’s or an interval fund’s initial offering, or a commission if you buy and sell shares in a closed-end fund in a secondary trading market. Closed-end funds and interval funds also deduct other ongoing fees and expenses, such as management fees, from fund assets.

ETFs: You will pay a commission every time you buy or sell shares in an ETF. ETFs also deduct other fees and expenses, such as management fees, from ETF assets.

Unit Investment Trusts (“UITs”): You will pay a sales charge when you buy shares in a UIT’s initial offering, or a commission when you buy or sell shares in a UIT in a secondary trading market. UITs also deduct other fees and expenses from fund assets, such as operating costs.

Real Estate Investment Trusts (“REITs”): You will pay a commission when you buy shares in a REIT’s initial offering or buy or sell shares in a REIT in a secondary trading market. REITs also deduct other fees and expenses from REIT assets

Investment Products

529 Plans/College Savings Plans (“529 Plans”): Depending on the share class selected, you may pay an up-front sales load and other fees at the time of purchase when you purchase a 529 plan. 529 plans also deduct other ongoing fees and expenses, including account maintenance fees and management fees, including for underlying investments.

Insurance Products: When you purchase an insurance product like a variable annuity, you will indirectly pay a commission, which is factored into the cost of the insurance and is paid by the issuing insurance company to us.

Description of Other Fees and Costs: In addition to the foregoing investment fees, you will pay, and we will receive a portion of, certain fees associated with your brokerage account, including fees paid to the clearing firm or account custodian, as well as fees for certain services that you select, such as wire transfers or margin, and a termination or transfer fee when your brokerage account is terminated or transferred to another broker-dealer. More information about these fees is available on our [Client Fees](#) document and in our [Regulation Best Interest Disclosure](#) document.

Investment Advisory Services

Description of Principal Fees and Costs: For our investment advisory services, we are paid based on a percentage of the assets for which we provide investment advice in your advisory account, referred to as an “advisory fee.” The advisory fee, which is generally charged quarterly, presents a conflict because it creates an incentive for us to encourage you to

increase the assets in your advisory account, as the more assets there are in your advisory account, the more you will pay us in advisory fees. In addition, depending on the advisory program and the activity in your account, we may receive more compensation when our financial advisors provide advisory services than when they provide broker-dealer services, which creates an incentive for us to recommend an advisory account. More information about these advisory fees is available in BFE's [Firm Brochure](#) and BFE's [Wrap Fee Program Brochure](#). In addition to these advisory fees, the following are the other fees and charges you will pay in connection with your advisory account.

Wrap Programs: If your advisory program is a "wrap" program, you will pay a wrap fee, which includes the advisory fee and the costs for the execution of securities transactions and other services. The wrap fee is usually higher than the advisory fees for non-wrap programs because it includes these transaction costs, which are "wrapped" together with the advisory fee (i.e., you will not pay a separate advisory fee). A conflict of interest exists in our wrap programs because we have an incentive to encourage you to increase the assets in your account, so you pay us more in wrap fees. More information about these wrap fees is available in BFE's [Wrap Fee Program Brochure](#).

Commissions and Markups/Markdowns: BFE's discretionary advisory programs are wrap programs as explained above. In instances where your advisory account was not part of a wrap program, you would pay a transaction fee in the form of commissions or markups/markdowns, including ticket charges, to buy and sell investments.

Fees Related to Specific Investments: You will pay fees related to certain investments in your account. We receive a portion of these investment fees in our capacity as a broker-dealer, which presents a conflict because it creates an incentive for us to encourage you to purchase investments that pay us these fees. More information about these fees is available in our [Wrap Fee Program Brochure](#) and our [Revenue Sharing Disclosure](#) document

Description of Other Fees and Costs: In addition to the fees described above, you will pay, and we will receive a portion of, certain fees associated with your advisory account, such as account maintenance fees, account termination fees, and account transfer or liquidation fees, depending on the advisory program, which include fees paid to the clearing firm or account custodian for their services, unless your account is a wrap program (in which case, some of these fees may not be charged).

Additional Information: 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.

Additional detail related to our broker-dealer services, and the fees and costs associated with your brokerage account, can be found in the following BFE documents: [Equity and Options Commission Schedule](#), [Fixed Income Transaction Fee Schedule](#), [Client Fees](#), [Revenue Sharing Disclosure](#), and [Regulation Best Interest Disclosure](#).

Additional detail related to our investment advisory services, and the fees and costs associated with your advisory account, can be found in the following BFE documents: [Client Fees](#), [Revenue Sharing Disclosure](#), [Firm Brochure](#), and [Wrap Fee Program Brochure](#).

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 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 broker-dealer or 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 with your interests. You should understand and ask us about these conflicts because they can affect the recommendations and investment advice we provide to you. Here are some examples to help you understand what this means.

Broker-Dealer Examples

Because we are paid each time you trade in your account or make a new investment, we have an incentive to encourage you to trade more and make additional investments. These transaction-based payments, or commissions, create a conflict of interest for us because of the incentives to encourage more trading and additional investments. Here are additional examples of incentives created by some of the payments we receive.

Third-Party Payments. When we sell an investment fund or product to you as a broker-dealer, we receive payments from the issuer (such as a mutual fund or insurance company) and their sponsors or managers, and we may also receive ongoing payments, such as 12b-1 fees, from them. These payments create an incentive for us to sell you investments that entail such payments and to maintain our relationships with the issuer and their affiliates. Since the amount of compensation we receive varies among and between the issuers and the different investments and types of investments that we offer as a broker-dealer, we have an incentive to sell you those investments that pay us more compensation.

Revenue Sharing. In addition to the third-party payments discussed above, many issuers and fund sponsors or managers make payments to us that are sometimes called "revenue sharing" payments because they share with us a part of the revenue that they earn on your investments in their funds or products. These payments are an incentive for us to offer or continue offering investments and services that entail such payments and to encourage you to increase the amount of

assets in those investments. Our clearing firm also shares some of the fees and revenues it earns on assets in your brokerage accounts, including account assets in a cash sweep vehicle. These payments are explained in more detail in BFE's [Revenue Sharing Disclosure](#) document and in our [Insured Deposit Program Terms and Conditions](#).

Investment Advisory Examples

Since we are paid based on the assets in your advisory account, the more assets there are in your account, the more you will pay in fees, so we have an incentive to encourage you to increase the assets in your advisory account. In addition to the wrap fee you pay us for our advisory services, we also receive certain payments as described below.

Revenue Sharing. Our service providers share a part of the revenue with us in connection with your assets invested in a cash sweep vehicle. These payments create an incentive for us to encourage you to increase the amount of your assets invested in the cash sweep vehicle we offer. More information is available in BFE's [Revenue Sharing Disclosure](#) document and in our [Insured Deposit Program Terms and Conditions](#).

Additional Information: As a for-profit organization, certain inherent conflicts of interest exist, which we feel are important to inform you of so that you may make informed decisions about doing business with us. Additional detail related to our broker-dealer services, and the conflicts associated with your brokerage account, can be found in BFE's [Regulation Best Interest Disclosure](#). Additional detail related to our investment advisory services, and the conflicts associated with your advisory account, can be found in BFE's [Firm Brochure](#), and BFE's [Wrap Fee Program Brochure](#).

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

How Do Your Financial Advisors Make Money?

We pay our financial advisors a portion of the commissions or investment advisory fees that we receive. As noted above, the commissions we receive generally vary based on the investments purchased and sold, and the advisory fees we receive generally vary based on the investment advisory program selected. The portion of the commissions or fees we pay to the financial advisor also varies among financial advisors depending on the financial advisors' performance. This creates an incentive for our financial advisors to sell more investments as a registered representative of our broker-dealer and to increase advisory account assets as an associated person of our investment adviser to qualify for a higher portion of commissions and investment advisory fees the following year.

We also count the receipt of commissions and investment advisory fees toward certain qualifying cash and non-cash rewards for our financial advisors, including bonuses, trips, and awards. These qualifying rewards present a conflict because they create an incentive for the financial advisor to encourage you to do more trades and investment transactions in your broker-dealer account and to increase your assets in your advisory account in order to receive more commissions and advisory fees, respectively, and therefore qualify for these rewards. More information about these qualifying rewards is contained in BFE's [Revenue Sharing Disclosure](#) document and in our [Regulation Best Interest Disclosure](#) document.

In the case of certain investment funds and products, the issuer or the sponsor provides our financial advisors other forms of compensation, including business entertainment, expense reimbursement for travel associated with educational or similar business meetings, financial assistance in covering the cost of marketing and sales events, and small gifts. In addition, depending on the specific type of investment advisory program, certain financial advisors receive similar forms of other compensation from the sponsors or managers of those programs, including business entertainment and business travel expense reimbursements. The receipt of these payments presents a conflict because it creates an incentive for the financial advisor to recommend those investments or funds whose issuers or sponsors offer these forms of compensation. More information about these forms of compensation is contained in BFE's [Revenue Sharing Disclosure](#) document.

Item 4 – Disciplinary History: Do you or your financial advisors have legal or disciplinary history?

Yes. Please visit investor.gov/CRS for a free and simple search tool to research us and our financial advisors.

Conversation Starter: *As a financial advisor, do you have any disciplinary history? For what type of conduct?*

Item 5 – Additional Information

For additional information about our Firm, including information on our broker-dealer services and investment advisory services, please visit benjaminfedwards.com. You can request a copy of our Form CRS Client Relationship Summary at any time by contacting your financial advisor. You can also call us at 855.382.1600 to request up-to-date information and request a copy of this [Form CRS Client Relationship Summary](#).

Conversation Starter: *Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?*