



# SYMPHONIC TERMS & CONDITIONS

## Account Agreement & Disclosures

### ACCOUNT MONITORING:

**Brokerage/Transactional:** While Symphonic may do some periodic account reviews, we do not monitor your account(s) unless we stipulate in writing that we will monitor on a periodic basis solely for the purpose of providing securities transaction recommendations.

**Investment Advisory:** We monitor your 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 your financial needs.

### MINIMUM ACCOUNT BALANCES:

There are no account minimums for opening a brokerage account through SFA, but some investment product selections do have minimum investment amounts. Depending on the advisory account you select, there may be a minimum investment amount. Please refer to the SFA Services document.

### BASIS FOR RECOMMENDATION:

Any transaction(s) recommended by your representative is reviewed by our best interest guidelines which consist of your investment objective, risk appetite, time horizon, financial and tax status to determine a range of portfolio investments which is in your best interest. There may be one-off needs as communicated to us as well as which could result in a deviation from our typical guidelines, but those recommendations would also be evaluated for Best Interest.

### RISKS:

The Adviser utilizes a variety of methods and strategies to make investment decisions and recommendations. These methods generally entail an evaluation of investment opportunities using fundamental, technical, and quantitative and qualitative analyses to determine the intrinsic value of securities and other types of instruments. ***These methods, strategies and investments involve risk of loss to clients and clients must be prepared to bear the loss of their entire contribution/investment.*** Symphonic clients are subject to the investment risks associated with the affiliated (including RBC Funds) and non-affiliated mutual funds used on the advisory platform. For a more detailed explanation of these risks for the CNR Funds, please refer to the prospectuses for the CNR Funds available at [www.citynationalrochdalefunds.com](http://www.citynationalrochdalefunds.com). For non-CNR Funds, please refer to the respective prospectus for those funds. **Investment products are not bank deposits or obligations of or guaranteed by Symphonic, City National Bank or any subsidiary or affiliate and are not insured by the FDIC, they involve risk, including the possible loss of principal.**

### SCOPE AND TERMS OF THE RELATIONSHIP:

Symphonic offers recommendations in investments and execution of those recommendations upon the customer's approval. These recommendations could include any investment from our approved products list including Mutual Funds, bonds, municipal, government, corporates and agencies, private placements, annuities, and/or insurance plans. Symphonic also offers a variety of accounts to hold investments, including individual, joint, IRAs, retirement plans, trust accounts, 529 plans, and UTMA/UGMA accounts. All investments are subject to the express authorization of the client and accounts will not be continuously monitored (brokerage, transaction, insurance) and all transactions will occur with client authorization. As noted above, for Investment Advisory accounts, they will be monitored on an ongoing basis, and investments may or may not require express authorization of the clients.

### COMPENSATION:

**Brokerage/Transactional:** The registered representatives are compensated by Symphonic based on the sales transaction commission received from the recommended product company. The firm then pays a percentage of that commission on a monthly/quarterly basis to the representative. For sales of mutual funds, the commission is determined by the fund company and share class selected at the time of purchase, and the commission amount is charged against the value of the account. Some mutual funds also distribute a 12b-1 fee to Symphonic, which is then paid to the representative in the manner mentioned above. Insurance and Annuity products pay Symphonic a commission based on the insurance company's agreement with Symphonic, which is then passed on to the licensed agent who sold the contract. There is no deduction from the value of the client's account for the stated commission. It is paid by the insurance company, who may require a surrender charge for a specified period of time if the client withdraws from the contract.

**Investment Advisory:** For our investment advisory services, you pay a "wrap" program fee (the "Program Fee") for the program you select. Program Fees are "asset-based," meaning that it is calculated as a percentage of the assets invested in your advisory account according to the fee schedule in your advisory agreement with us. This means that the more assets you invest in your account, the more you pay in fees, and therefore we have an incentive to encourage you to increase your advisory account assets. In addition, depending on the advisory

program, we may receive more revenue when our financial professionals provide advisory services as opposed to broker-dealer services, which creates an incentive for us to recommend an advisory account.

With respect to both brokerage and advisory services, you pay fees and costs whether you make or lose money on your investments. Fees and costs reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.

**Supervision:** For those managers who also produce business (advisory and/or brokerage) they balance their time spent on production activities vs. supervision activities, which may create a conflict for compensation. All producing activities are reviewed by the home office principal and most supervision is done by non-producers. Supervisors are imbedded with producers and could be influenced or pressured to approve certain business. This conflict is mitigated through review and testing by the Compliance team, and the strong organizational culture mitigates the potential for adverse influence.

**CONFLICTS:**

We must act in your best interest and not put our interest ahead of yours but at the same time, the way we make money creates some conflict with your interests. You should understand and ask us about these conflicts because they affect the recommendations and advice, we provide to you. Certain products may pay more to the registered representative than other products.

**SCOPE OF APPROVED RECOMMENDATIONS:**

The approved investment products that we do offer have been reviewed by a product committee and are reviewed on an annual basis. Mutual Funds and 529 plan products are made available to you with a choice of asset classes, performance, risk and tax profiles to create a portfolio in your best interest. Our insurance products are made available to you to be able to fulfill any protection needs that are present.

**PROPRIETARY PRODUCTS:**

Representatives do not earn higher fees, compensation or other benefits when you invest in a product that our affiliates advise, manage, sponsor, or underwrite, such as a mutual fund or structured product. However, since these products are available through our affiliate firm, this is disclosed as a conflict if we recommend these products over third party products.

**FEES AND COSTS:**

In addition to the fees and commissions as stated above, there are additional costs that may be assessed on your account, such as custodian/clearing fees charged by the custodian of your funds, brokerage inactivity fees, or other related expenses. These additional costs can be found in the product prospectus you have been provided, or on our website, [www.symphonicfinancial.com/disclosures](http://www.symphonicfinancial.com/disclosures).

**ADDITIONAL INFORMATION:**

In situations where an advisor moves their FINRA registration to Symphonic Financial Advisors, there is an incentive to transfer client accounts from the prior firm to SFA. In these situations, the advisor is required to disclose all options for the account, including the option of keeping the account with the prior firm.

*Financial Advisory services offered through Symphonic Financial Advisors, LLC. Insurance offered through Symphonic Insurance LLC. Securities offered through Symphonic Securities, LLC, Member SIPC/FINRA, 400 Park Ave., New York, NY 10022. Investment products are not bank deposits or obligations of or guaranteed by City National Bank or any subsidiary of affiliate, and are not insured by the FDIC. They involve risk, including the possible loss of principle.*