

Financial Services Chart – By Ryan Richardson and Miranda Duggan

	Registered Investment Advisor (RIA)	Broker Dealer/Stockbroker	Financial Planner	Robo Advisors
Scope of Services	Investment/ Portfolio construction Comprehensive financial planning Can include: <ul style="list-style-type: none"> - Tax guidance and planning - Estate planning - Retirement planning - Risk management/Insurance planning - Debt and cash flow guidance 	Buys and sells securities- stocks, bonds, funds Research Full service Broker Dealers: <ul style="list-style-type: none"> - provide suggested transactions and recommendations - research completed on clients behalf - commissions and expense ratios attached to products Discount Broker Dealers: <ul style="list-style-type: none"> - only responsible for completing transactions on client's behalf - online resources available for clients to complete their own research 	Create financial plans and provide guidance related to: <ul style="list-style-type: none"> - Cash flow - Debt prevention - Employee benefit options - Retirement planning - Insurance planning - Estate planning - Tax guidance * Limited Investment Advice	Algorithm-based portfolio management Online service Consider client objectives/risk tolerance Client has ability to change at own discretion
Fees Charged	Fee only (% of assets under management) Can Charge: <ul style="list-style-type: none"> - Flat Hourly Rate - Based on % of performance - % of managed assets - Fixed fees Sometimes offer lower % fee for non-discretionary assets Typically fees are tax deductible	Costs can vary widely Fees are often difficult to pinpoint Fees per trade - Commission based, % based, Flat underlying fees such as Front-End/Back-End Loads Ongoing fees Annual operating expenses (MF's, ETF's) <ul style="list-style-type: none"> - Actively Managed - Index Funds - Exchange Traded Funds (ETF's) ETFs are typically lower cost because they are more passively managed to track an index, and don't need the same analysis and research that is involved with actively managed funds.	Initial charges/hourly rates vary Average hourly planner fees range from: \$120 - \$300	Fees vary: Custodial fees <ul style="list-style-type: none"> - % charged annually for assets under management Tier structure <ul style="list-style-type: none"> - higher \$ thresholds = lower % of fees for assets under management Fees are charged to manage and rebalance portfolio No breakpoint offered for fixed income investments vs. equity investments
Registration/ Titles/ Certificates	Securities Exchange Commission registered or registered with State Securities Regulator \$110 Million or more in AUM = SEC \$110 Million or below in AUM = State Securities Industry exams: ex. Series 63, 65, 66 Certified Financial Planner (CFP™) Chartered Financial Analyst (CFA)	Industry exams Register with SEC Must be members of the Financial Industry Regulatory Authority (FINRA) - which is a self regulatory organization that regulates brokerage firms and exchanges	Certified Financial Planner, CFP™ SEC Registered or State Registered -if providing investment advice Industry exams	SEC registered Could be part of broker/dealer such as: Charles Schwab Vanguard