

**What's the Difference Between Using A
Broker-Dealer/Stockbroker OR
An Investment Adviser/Investment Adviser Representative?**



<p align="center">Brokers or Broker/Dealers (The company)</p> <p align="center">Stockbrokers (Securities Salespersons)</p>	<p align="center">Investment Advisers (IA) (Either a person or business)</p> <p align="center">Investment Adviser Representatives (Person giving advice on behalf of IA to other people, through meetings or communications)</p>
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| <ul style="list-style-type: none"> ➤ Sells stocks, bonds and other investment products ➤ Paid on commission ➤ <u>Legal standard</u> – Recommend investments that are <u>suitable</u> to meet the Client’s needs and risk profile ➤ <u>Where they must register</u> <ol style="list-style-type: none"> 1. FINRA – Financial Industry Regulatory Authority 2. SEC – Securities and Exchange Commission 3. OFI – Office of Financial Institutions | <ul style="list-style-type: none"> ➤ Sells advice about investments, financial planning, investment strategy ➤ Fee-based ➤ <u>Legal standard</u> – Recommend only investments that are in the <u>best</u> interest of the Client, often referred to as Fiduciary Duty ➤ <u>Where they must register</u> <ol style="list-style-type: none"> 1. If they manage \$100M or more Assets Under Management (AUM) <ol style="list-style-type: none"> a. Register with SEC b. Notice-File with OFI 2. If manage less than \$100M Assets Under Management (AUM) <ol style="list-style-type: none"> a. Register with OFI |
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Visit www.ofi.la.gov/SecuritiesInvestorEd.htm for more free tools and resources.