

As an Investor you have two choices when choosing an Advisor, The *Suitability Standard* or The *Fiduciary Standard*



Legal Standard	Suitability Standard	Fiduciary Standard
Types of Financial Business Clients can work with	Banks, Brokerage and Wire-house firms, Independent Broker Dealers, Insurance Companies.	Independent Registered Investment Advisor (RIA) (Harvest Investment Services, LLC is a RIA).
Standard of Conduct	<ol style="list-style-type: none"> 1. Does not require salesperson or broker to put client's interest first. 2. Conflicts of interests are common. 3. Not required to disclose all forms of compensation or conflicts of interest. 4. Compensation received from client AND product manufacturer or provider. 	<ol style="list-style-type: none"> 1. Legally required to put client's interest first. 2. Conflicts of interest are to be avoided, managed in client's favor when unavoidable. 3. Must disclose all forms of compensation in writing. 4. Compensation only received from client.
Titles used (not exhaustive)	Broker, Stockbroker, Registered Rep, Financial Advisor, Investment Counselor, Investment Consultant, Insurance Agent, Senior VP, VP	Accredited Investment Fiduciary, Registered Fiduciary, Investment Advisor, Wealth Manager, Financial Advisor, Certified Financial Planner
Type of Compensation	Commission only representative/broker or if also registered as an Investment Advisor Representative of Broker Dealers corporate RIA can be fee's and commission based.	Can be Fee only or, A blend of Fees with commissions where the plan calls for a solution driven product that is only available on a commission basis, or does not warrant an actively managed account fee. (Eg, LTC, DI, Term Ins etc) (Should be disclosed in ADV)
Responsibility for Decisions	Client ultimately responsible for decisions	Advisor ultimately responsible for decisions
How are problems or disagreements resolved?	Arbitration panel, judged by brokers, industry insiders and members of the public or all public panels may be chosen by claimant, After arbitration, customer could sue in court. Customer must prove wrong doing by broker.	Client can sue in court, but it is not the only option, client can go to arbitration if the NAF contains arbitration agreement. Investment Advisor must prove they acted solely in client's interest.
Regulated by	FINRA – Financial Industry Regulatory Authority, self regulator for brokerage firms	Securities and Exchange Commission (SEC)
Ultimate Question to ask	What standard of care do you follow?	What standard of care do you follow?