

## REGULATION BEST INTEREST: FORM CRS

### FSB Premier Wealth Management, Inc.

- We are **dually registered** with the Securities and Exchange Commission (SEC), as both a **broker dealer** and **investment advisor**. We are also registered with FINRA and a member of Securities Investor Protection Corporate (SIPC).
- Brokerage and investment advisory services and fees differ and it is important for you to understand the differences. If you open a **brokerage account**, you will pay transaction-based fees, generally referred as a commission, every time you buy or sell an investment. If you open an **advisory account**, you will pay an ongoing asset-based fee, an agreed-upon one-time paid services fee, or a recurring consulting fee for services.
- Free and simple tools are available to research firms and financial professionals at [www.investor.gov/CRS](http://www.investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisors, and investing.

### What investment services and advice can you provide me?

**Depending on your needs and investment objectives, we can provide you with services in a brokerage account, investment advisory account, or both.** This document gives you a summary of the types of services we provide and how you pay. Please ask us for more information. If you open a brokerage account, you will pay us a **transaction-based fee**, generally referred to as a commission, every time you buy or sell an investment. If you open an advisory account(s), you will pay an on-going **asset-based fee** for our services, an agreed-upon one-time paid services fee, or a recurring consulting fee for our services.

- **Monitoring:** If you open a brokerage account, we can offer you additional services to assist you in developing and executing your investment strategy and monitoring the performance of your account, but you might pay more. You will receive account statements each quarter in paper format or electronically. If you open an investment account, we will offer you advice on a regular basis. We will discuss your investment goals, create a strategy to achieve your investment goals, and regularly monitor your account. We will attempt to contact you with a method (i.e. e-mail, phone, USPS, or some combination) and a frequency (i.e. quarterly, semi-annually, or some other frequency) which has been deemed fit by you and us. We will attempt to meet with you at least annually, or more if deemed fit by you and us.
- **Investment Authority:** If you open a brokerage account, you may select investments or we may recommend investments for your account, but the ultimate investment decision for your investment strategy and the purchase or sale of investments will be yours. You may choose an account that allows us to buy and sell investments in your account without asking you in advance (a “**discretionary account**”) or we may give you advice and you decide what investments to buy and sell (a “**non-discretionary account**”). If you open an advisory account, we will supervise and direct the investments of your accounts subject to such limitations as you may impose in writing. In managing investment portfolios, we act in a manner we believe to be in the best interest for you.
- **Limited Investment Offerings:** We offer a limited selection of investments. Other firms could offer a wider range of choices, some of which might have lower or higher costs.
- **Account Minimums and Other Requirements:** Except for limited exceptions, which require Senior Management pre-approval, our brokerage accounts require a minimum opening deposit of \$5,000. Our advisory accounts all require a minimum opening deposit. Depending on the program, our account minimums range from \$5,000-\$250,000.

- **Additional Information:** Please consult our firm's [Form ADV](#) on our website [fsbfs.com](http://fsbfs.com) for more detailed information about our services.

**Conversation Starters:** 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? How will you choose investments to recommend to me? What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?

## What fees will I pay?

*Fees and costs can affect the value of your account over time. Please ask me to give you personalized information on the fees and costs that you will pay.*

### **Description of Principal Fees and Costs: Broker Dealer**

- Transaction-based fees. You will pay a fee every time you buy or sell an investment. This fee, commonly referred to as a commission, is based on the specific transaction and not the value of your account. With stocks or exchange-traded funds, this fee is usually a separate commission. With other investments, such as bonds, this fee might be part of the price you pay for the investment (called a “**mark-up**” or “**mark-down**”). With mutual funds, this fee (typically called a “load”) reduces the value of your investment.
- Some investments (such as mutual funds and variable annuities) impose additional fees that will reduce the value of your investment over time. Also, with certain investments such as variable annuities, you may have to pay fees such as “**surrender charges**” to sell the investment.
- Our fees vary and are negotiable. The amount you pay will depend, for example, on how much you buy or sell, what type of investment you buy or sell, and what kind of account you have.
- The more transactions in your account, the more fees charge. We therefore have an incentive to encourage you to engage in transactions. From a cost perspective, you may prefer a transaction-based fee if you do not trade often or if you plan to buy and hold investments for longer periods.

### **Description of Principal Fees and Costs: Investment Advisory**

- Asset-based fees. You will pay an on-going fee based on the value of the cash and investments in your advisory account. This fee will be charged quarterly, unless otherwise stated in your account agreement. The amount paid to our firm and your financial professional generally does not vary based on the type of investments we select on your behalf. The asset-based fee reduces the value of your account and will be deducted from your account. For some advisory accounts, called **wrap fee programs**, the asset-based fee will include most transaction costs and custody services, and as a result wrap fees are typically higher than non-wrap advisory fees.
- Our fees vary and are negotiable. The amount you pay will depend, for example, on the services you receive and the amount of assets in your account.
- The more assets you have in the advisory account, including cash, the more you will pay us. We therefore have an incentive to increase the assets in your account in order to increase our revenue. You pay our fee quarterly even if you do not buy or sell.
- Paying for a managed account program could cost more than separately paying for advice for transactions if there are infrequent trades in your account. You may prefer a managed account program if you prefer the certainty of a quarterly fee regardless of the number of transactions you have.
- An asset-based fee may cost more than a transaction-based fee, but you may prefer an asset-based fee if you want continuing advice or want someone to make investment decisions for you.

**Description of Other Fees and Costs:** We may assess certain additional fees that you will pay directly or indirectly. Some examples of the most common fees and costs include fees our custodian (clearing company) may charge, account maintenance fees, account inactivity fees, fees related to mutual funds and variable annuities, other transactions fees and product-level fees.

**You will pay fees and costs whether you made or lost 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.**

**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 advisor? How else does your firm make money, and what conflicts of interest do you have?**

*We must abide by certain laws and regulations in our interactions with you. 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. Here are some examples to help you understand what this means:*

- **When acting as your broker dealer:** We might receive more money by selling you certain investments, such as securities, mutual funds, bonds, variable annuities, or insurance products, because they are offered by companies that pay our firm to offer their investments. Your financial professional also receives more money if you buy these investments. We must act in your best interest and not place our interests ahead of yours when we recommend an investment or an investment strategy involving securities. When we provide any service to you, we must treat you fairly and comply with a number of specific obligations. Unless we agree otherwise, we are not required to monitor your portfolio or investments on an ongoing basis.
- **When acting as your investment advisor:** We might receive more money from certain managed account solutions because they are offered by companies that pay our firm to offer their investments. Your financial professional also receives more money if you participate in these advisory accounts. We can make extra money from certain financial planning/paid service fees, consulting service fees, and/or ERISA Fee-Based Plan Sponsor Program fees. Your financial professional also receives more money if you participate in these. We are held to a fiduciary standard that covers our entire investment advisory relationship with you. For example, we are required to monitor your portfolio, investment strategy, and investments on an ongoing basis.
- **As dual employees:** Our employees are dually employed with our affiliated bank, Farmers State Bank. When acting as your broker dealer and/or your investment advisor, we may recommend Farmers State Bank products to you, if we have reason to believe it is in your best interest.

Our interests can conflict with your interests. When we provide recommendations, we must eliminate these conflicts or tell you about them, and in some cases, take steps to mitigate them. We must tell you about these conflicts in a way you can understand, so that you can decide whether or not to engage our brokerage or advisory services. Please consult our firm's [Form ADV](#) on our website [fsbfs.com](http://fsbfs.com) for more detailed information about how our firm makes money and/or our conflicts of interest.

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

## How do your financial professionals make money?

### **Description of How Financial Professionals Make Money:**

- **When acting as your broker:** Your broker can make commissions by selling you certain investments, such as securities, mutual funds, bonds, variable annuities, or insurance products, because they are offered by companies that pay our firm to offer their investments. Your financial professional must act in your best interest and not place his/her interests ahead of yours when he/she recommends an investment or an investment strategy involving securities.
- **When acting as your investment adviser:** Your adviser can make extra money from certain managed account solutions offered by companies that pay our firm to offer their investments. Your adviser can make extra money from certain financial planning/paid service fees, consulting service fees, and/or ERISA Fee-Based Plan Sponsor Program fees. Your financial adviser is held to a fiduciary standard that covers his/her entire investment advisory relationship with you.
- **Additional Information:** Please consult our firm's [Form ADV](#) on our website [fsbfs.com](http://fsbfs.com) for more detailed information about how our financial professionals make money.

## Do you or your financial professionals have legal or disciplinary history?

Yes, we have legal and/or disciplinary events. In 1992, there was one \$1,000 administrative fine imposed on Warner Group, Inc. FSB Financial Services, Inc. acquired the The Warner Group, Inc. in 2009, and we have had no disciplinary actions since that time. None of our current financial professionals have legal or regulatory events. [Investor.gov](http://Investor.gov) and/or [Brokercheck.finra.org](http://Brokercheck.finra.org) for free and simple search tools to research our firm and our financial professionals.

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

- For additional information about our brokers and services, visit [Investor.gov](http://Investor.gov) and/or BrokerCheck, our website ([fsbfs.com](http://fsbfs.com)), and your account agreement. For additional information on advisory services, see our Form ADV brochure on IAPD, on [Investor.gov](http://Investor.gov), or on our website ([fsbfs.com](http://fsbfs.com)) and account agreement brochure supplement your financial professional provides.
- To report a problem to the SEC, visit [Investor.gov](http://Investor.gov) or call the SEC's toll-free investor assistance line at (800) 732-0330. To report a problem to FINRA, call the BrokerCheck Hotline at (800) 289-9999 or the Securities Helpline for Seniors at (844) 574-3577.
- If you have a problem with your investments, account, or financial professional, or if you would like to request a copy of our up-to-date Form CRS, please contact us in writing at FSB Premier Wealth Management ATTN: Compliance 131 Tower Park Drive Suite 115, Waterloo, IA 50701 or email us at [corporate@fsbfs.com](mailto:corporate@fsbfs.com).

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