

Avantax Investment Services, Inc. and Avantax Advisory Services, Inc.
Form CRS Customer Relationship Summary
February 1, 2023

Conversation Starters. Ask your financial professional:

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 those qualifications mean?

What fees will I pay?

BROKERAGE & DIRECT ACCOUNT SERVICES

For our broker-dealer services, Avantax Investment Services is paid each time you place a trade or make a new investment in either your brokerage or direct account. This payment is typically called a “commission,” but it is also called a “sales charge” or a “markup.” If you buy an insurance product, like a variable annuity, you indirectly pay a commission, which is paid by the insurance company to us. You also pay internal fees and expenses embedded in certain types of products including mutual funds, ETFs, alternative investments, and variable annuities.

Mutual funds offer various share classes each with different fees and expenses. Different share classes pay us and your financial professional different amounts in commissions and ongoing payments (such as marketing, distribution, networking and service fees, or “12b-1”) fees. The difference in compensation creates a conflict of interest for us and your financial professional to recommend the share classes that pay us more. Some share classes are restricted by account type.

Additional fees and other costs include, but are not limited to, annual account fees, and account operations and service fees (such as wire fees or account termination fees). Brokerage account costs vary based on the type of account you need (for example, an individual or retirement account) and the services you utilize. Your transaction costs could be higher in a brokerage account than in a direct account. Transaction costs vary by product type.

Your financial professional can sell insurance products, such as annuities, through our affiliated insurance agencies, Avantax Insurance Services, Inc. and Avantax Insurance Agency, LLC, if they are properly licensed. We and your financial professional have a financial incentive to recommend the purchase of insurance products through our affiliated insurance company because we and your financial professional earn commissions.

ADVISORY ACCOUNT SERVICES

You pay an advisory fee to Avantax Advisory Services for investment advisory services. An advisory fee is an annual percentage based on the value of the total assets held in your advisory account. Advisory fees are generally paid quarterly in advance and are paid even if there are no trades in your account.

You do not pay commissions on transactions in your advisory accounts, but you do pay internal fees and expenses embedded in products such as mutual funds, UITs, ETFs and variable annuities. With some advisory programs, you pay ticket charges (a charge for each trade) in addition to the advisory fee. At times, you will pay account operations or service fees, such as wire fees or account termination fees.

A wrap program charges a bundled advisory fee that covers investment advice and ticket charges and is generally higher than fees for non-wrap programs. Whether a wrap program is more cost effective for you depends on the level of trading in your account. For example, in an account with frequent trading, you sometimes pay less in a wrap program than if you pay your advisory fee and ticket charges separately.

If you choose financial planning services, you pay a flat fee, an ongoing fee, or no fee. Thi(o)-5(it42G7B 40 1 310.9 280.6

What are your legal obligations to me when providing recommendations as my broker-dealer or when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?

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. You should understand and ask us about these conflicts because they can affect the

