



**S&D CAPITAL**  
— FINANCIAL ADVISORS —  
SIMPLIFY AND DIVERSIFY

Your need for objective advice  
drives our **INDEPENDENCE**

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*You control the journey.*

## **Independence ~ Objectivity ~ Integrity**

In a profession based on objective advice, true independence offers many choices intended to benefit you, the client. Your choice of an independent financial professional is the first step in getting unbiased recommendations and impartial guidance based directly on your needs and goals.

### **What is an independent financial professional?**

Objective advice on achieving your financial goals may be best delivered by an independent financial professional. Your independent financial professional is not an employee of an investment or financial services firm – they are an independent business owner. They have the freedom to structure their business in a manner that best serves their clients. Your independent financial professional utilizes a broker-dealer who provides services that include processing investment business, marketing assistance, practice management, and education. In addition, a broker-dealer holds responsibility for regulatory compliance and adherence to securities laws.

### **What is an independent broker-dealer?**

There are many different types of firms for your financial professional to consider in choosing a broker-dealer. You may be familiar with broker-dealers that are subsidiaries of conglomerates such as commercial banks, investment banks, and investment companies. An independent broker-dealer is different from such firms because they generally do not underwrite securities, they do not create research, and they do not engage in investment banking.

An independent broker-dealer allows financial professionals to offer non-proprietary products, such as mutual funds or life insurance, from a wide variety of companies. Your financial professional has chosen to work with an independent broker-dealer in order to offer you unbiased investment advice compensated in the form of fees, commissions, or both.

### **Why is independence important?**

Just as you have the opportunity to choose your financial professional, they in turn choose their independent broker-dealer. We are honored that your financial professional has chosen Cambridge Investment Research, Inc. (Cambridge) as their independent broker-dealer. We believe their choice serves your best interests because we are independently owned and your financial professional has the freedom to offer you objective guidance. This means we do not force them to sell proprietary products or meet any sales quotas. Therefore, your financial professional is not pressured or distracted by corporate interests and can focus on what is best for you and your financial goals.

At Cambridge, we believe in the entrepreneurial spirit of your financial professional. Instead of asking our financial professionals to fit into a mold of how we think they should do business, we empower them with a vast menu of compliance-friendly programs, products, and services. This enables your financial professional to customize an investment strategy designed to meet your unique long-term financial needs.



## Quality firms safeguarding your assets

An independent broker-dealer can choose a non-affiliated clearing firm to provide the trade execution, clearing, custody, and other related services for clients of their financial professionals. A clearing firm may also be a registered broker-dealer. Clearing relationships are typical throughout the industry and allow your financial professional to focus on helping you achieve your investment goals while taking advantage of the clearing firm's safeguards for the physical protection of your assets.

Securities regulations are designed to protect clients' funds and fully paid for securities when they are in custody at a registered broker-dealer. The Securities Exchange Commission (SEC) is an agency of the U.S. government that oversees the Financial Industry Regulatory Authority (FINRA), which in turn oversees broker-dealers, clearing firms, and your financial professional. Both the SEC and FINRA require members to comply with various rules intended to minimize the chance of financial failure and maximize the protection of your assets. The SEC also requires a registered broker-dealer to segregate fully paid for, investor owned assets – meaning that if the broker-dealer fails, investors' assets will remain safe, separate from the broker-dealer's assets.



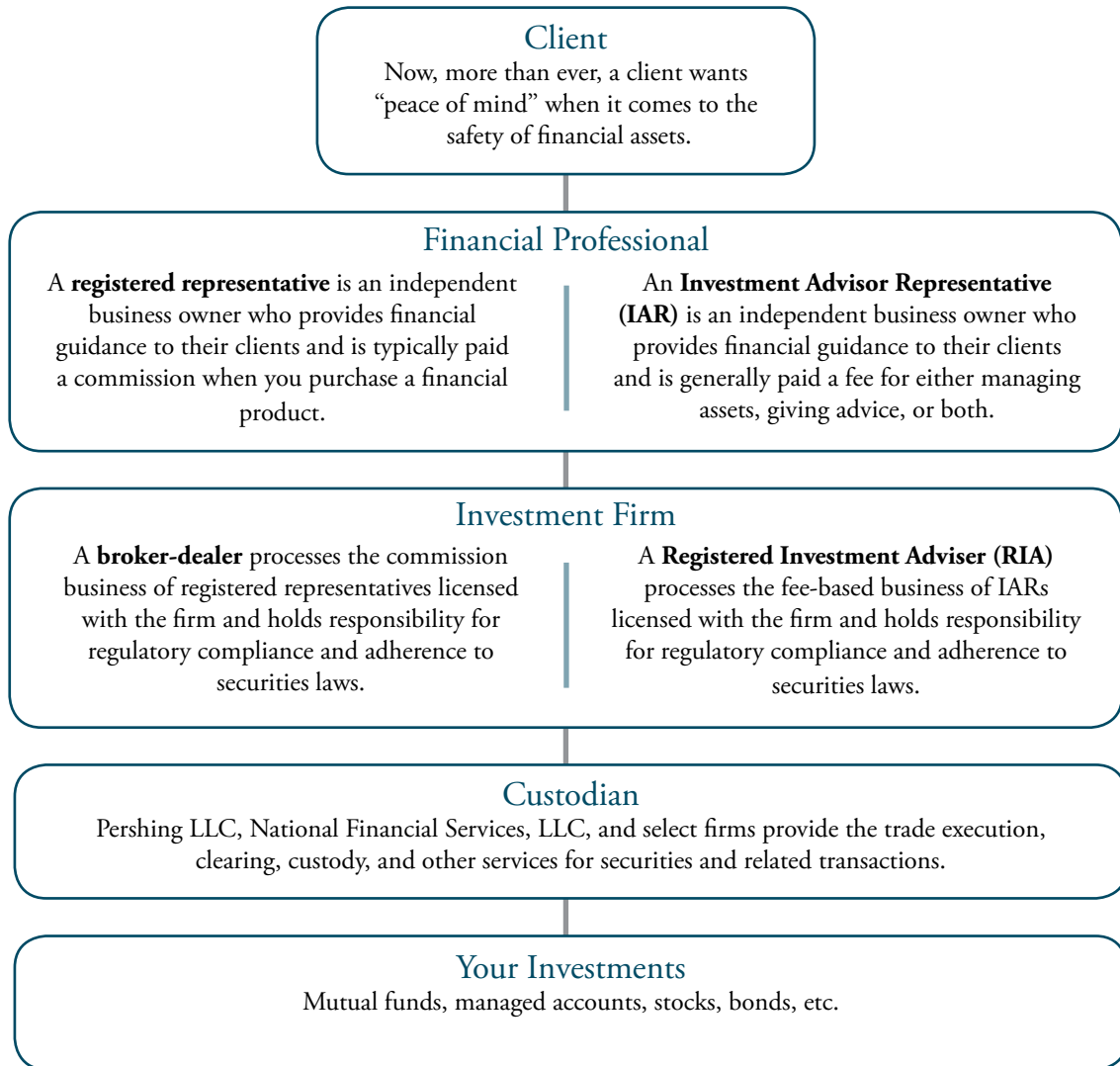
Client assets are protected by the Securities Investor Protection Act, which is administered by the Securities Investor Protection Corporation (SIPC). SIPC is a non-profit, non-government, membership corporation funded by member broker-dealers. SIPC's primary role is to return funds and securities to investors if the broker-dealer holding these assets becomes insolvent. SIPC does not insure against the rise and fall of the market but does insure your funds against theft, up to \$500,000 in securities.

Ask your financial professional about the current limits and visit SIPC's website at [www.SIPC.org](http://www.SIPC.org) for more details on SIPC coverage. You may also ask your financial professional for information on the clearing firm and their provisions for the protection of client assets.



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## Connecting you to your investments



In an independent model, the financial professional, investment firm, and custodian are all separate entities that work together to process a client’s financial transaction.

## Cambridge ~ A history of independence

One of the most respected independent broker-dealers in the industry, Cambridge, member FINRA/SIPC, remains strong and growing – thanks to our conservative financial strategy and the disciplined efforts of financial professionals in their independent practices. Together we maintained perspective during the turbulent times in the financial markets and survived the unprecedented meltdown on Wall Street. More importantly, we are thriving as stability drives renewed interest in traditional values and conservative business practices.

Recognized in the industry as The Fee Experts<sup>®(1)</sup>, Cambridge has been ranked a fee leader among independent broker-dealers for eleven consecutive years<sup>(2)</sup> and is a four-time winner in the Broker/Dealer of the Year annual poll.<sup>(3)</sup> With over \$40 billion in assets, Cambridge is ranked one of the top 20 independent broker-dealers by revenue.<sup>(4)</sup>

Cambridge's overall finances and longer-term outlook are good, we have been consistently profitable for more than a decade, and we carry relatively low debt. In contrast to recent industry trends, we continue to hire additional staff to serve the needs of the growing number of financial professionals choosing Cambridge to support their independent practices.

## True independence is a priority at Cambridge

Cambridge is dedicated to serving independent financial professionals and committed to remaining privately owned. As one of the largest privately held independent broker-dealers in the U.S., Cambridge is owned entirely by its management and financial professionals. Our executive leadership has spent over 15 years consciously building a legal structure, business plan, and a superior management team with the goal of remaining privately owned.



## Your need for objective advice drives our independence

Cambridge has continually put the objectivity of independent financial professionals first to ensure the long-term success of the financial services industry, financial professionals, and clients. We offer one of the largest footprints of quality financial products and services available in the industry, and we are dedicated to providing the broadest scope of flexibility and choice to your financial professional.

Cambridge's service-oriented culture is driven by our core values of integrity, commitment, flexibility, and kindness. The core values that have served us so well for 30 years will continue to drive our success for the years to come.<sup>(5)</sup>

We are proud that independent financial professionals who share our values choose Cambridge as their independent broker-dealer. Together, we focus on a common priority – you.

We take our role as trusted advisor seriously and believe those of us truly dedicated to independence, integrity, and objectivity are leading the charge to reshape financial services to better answer to your needs.

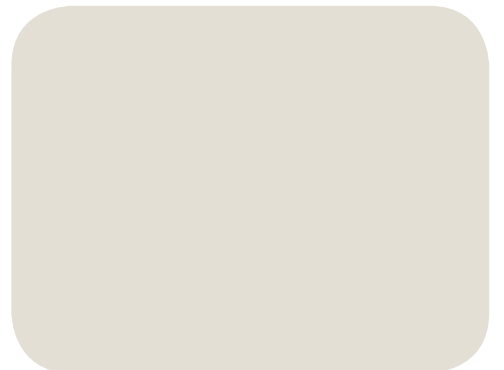
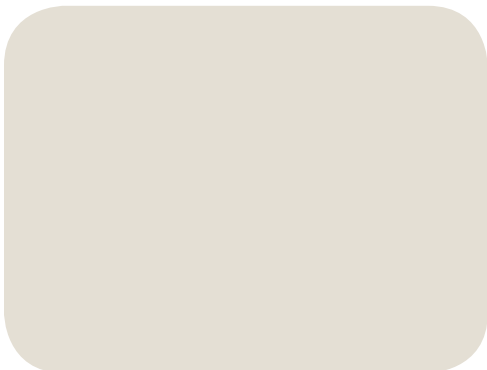
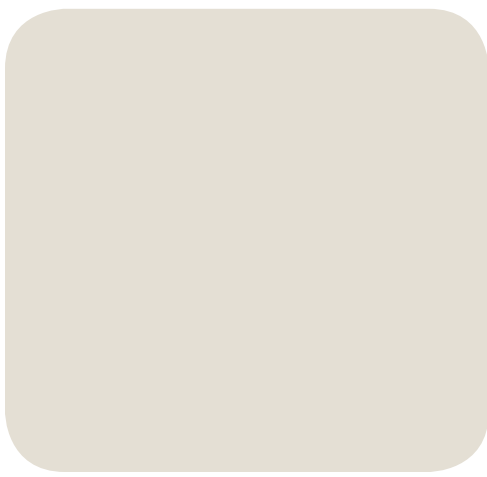
1. THE FEE EXPERTS<sup>®</sup> is a registered mark of Cambridge Investment Research, Inc. for its investment advisory service for investment managers.

2. Financial Planning magazine, June "FP50", 2001-2011

3. Investment Advisor magazine, 2010, 2008, 2007, 2003

4. Financial Planning magazine, June "FP50", 2011

5. Cambridge and its predecessor broker-dealer



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