

# WORKING WITH AN ADVISOR ASSOCIATED WITH A BANK OR CREDIT UNION

## How are LPL and the bank or credit union different?

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Banks and credit unions, also known as financial institutions, are depository institutions that offer products such as savings accounts, money market accounts, and certificates of deposits. Banks and credit unions are typically not registered as broker/dealers or investment advisors.

LPL Financial LLC (LPL) is a registered broker/dealer and registered investment advisor in the business of buying and selling securities like stocks, bonds, mutual funds, certain other investment products, and insurance products, as well as investment management services (the LPL Investment Program). LPL and its financial advisors offer the LPL Investment Program on and off the premises of financial institutions like Digital Federal Credit Union, known as DCU (Financial Institution). LPL is a separate entity from, and is not an affiliate of, the Financial Institution.

The investment products sold (and, if applicable, the advisory services offered) through the LPL Investment Program are being offered by LPL and not the Financial Institution. Often times, this LPL Investment Program operates under a particular “doing business as,” or DBA, name that the Financial Institution has designated for that particular purpose. While that DBA name may bear some resemblance to the name of the Financial Institution, it is important to understand that the products and services being offered under that name are not those of the Financial Institution, but are rather investment and other products and services offered by LPL. The products and services offered by LPL are not endorsed by, are not obligations of, and are not guaranteed by, your Financial Institution or its affiliates.

## What is the relationship between LPL and my financial institution?

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Your Financial Institution and LPL are not affiliates, but instead have entered into an agreement that allows LPL and its financial advisors to provide investment products (and, if applicable, advisory services) on or off the premises of your Financial Institution or through a referral program where the Financial Institution refers a customer or member to the financial advisor’s office at a location away from the Financial Institution. The agreement between LPL and your Financial Institution also provides for LPL to compensate the Financial Institution for the use of its facilities and for client referrals.

In some cases, the financial advisors are employed by the Financial Institution. However, when the financial advisors are offering products and services through the LPL Investment Program, they are registered with LPL for the purpose of offering those investment and insurance products and services. Your LPL financial advisor is compensated directly or indirectly by LPL for the products and services offered through the LPL Investment Program.

## **How do investment products through the LPL Investment Program differ from depository products?**

- Purchasing investment products involves investment risk, including the possible loss of principal and market value.
- The value of the investment products may fluctuate, and the performance of the investment is not guaranteed.
- The investment products offered by LPL are not obligations of the Financial Institution, and are not endorsed, recommended, or guaranteed by the Financial Institution.
- The investment products offered by LPL are not insured by the FDIC, NCUA, or any federal or state government agency, except for certain certificates of deposit and cash sweep accounts.
- LPL is a member of the Securities Investor Protection Corporation (SIPC). The LPL SIPC Membership provides account protection up to a maximum of \$500,000 per customer, of which \$250,000 may be claims for cash. An explanatory brochure is available at [www.sipc.org](http://www.sipc.org). The account protection applies when an SIPC member firm fails financially and is unable to meet obligations to securities clients, but it does not protect against losses from the rise and fall in the market value of investments.

**If you have any additional questions or concerns about working with an advisor who is associated with a bank or credit union, please contact LPL at (855) 804-3041.**

This material has been prepared by LPL Financial, LLC.

To the extent you are receiving investment advice from a separately registered independent investment advisor, please note that LPL Financial LLC is not an affiliate of and makes no representation with respect to such entity.

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