

# RFL Client Relationship Summary IA

## Form CRS

2020-06-12

### Introduction

R. F. Lafferty & Co., Inc. is registered with the Securities and Exchange Commission as a broker dealer and is a member FINRA/SIPC\*. Fees for brokerage and investment advisory services differ among broker-dealers and investment advisers and it is important that you understand the differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://www.investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

You may obtain information about SIPC, including the SIPC brochure, by contacting SIPC. Securities in your account are protected up to \$500,000. For details, please see [www.sipc.org](https://www.sipc.org)

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

We offer a variety of brokerage services to retail investors. It is important that you discuss your options with your financial adviser to determine which type of services are most appropriate for you.

We do not require a minimum account size or investment amount to establish a brokerage account.

We do not limit our advice to specific products, or a limited menu of products or types of investments.

The principal types of brokerage services we engage in includes:

Exchange member engaged in exchange commission business other than floor activities; Broker or dealer making inter-dealer markets in corporate securities over-the-counter; Broker or dealer retailing corporate equity securities over-the-counter; Underwriter or selling group participant (corporate securities other than mutual funds); Mutual fund retailer; U.S. government securities broker; Municipal securities broker; Broker or dealer selling variable life insurance or annuities; Investment advisory services; Trading securities for own account; Private placements of securities

As a broker dealer, we buy and sell securities in a brokerage account. We make recommendations of which securities to buy or sell in certain situations. This means we provide advice regarding the value and characteristics of securities or advisability of a transaction in securities only in connection with our primary business of buying and selling securities. You make the ultimate decision regarding the purchase or sale of investments. Upon your authorization, we accept limited investment discretionary authority but only for certain instances on a temporary or limited basis. When you provide us with limited discretion, this means you authorize us to execute an investment decision on your behalf without your prior knowledge. For example, you may provide us with limited discretion in these circumstances: to determine the price or the time to execute an order; or to purchase or sell a security limited by specific parameters established by you. We do monitor your accounts in limited circumstances, such as on a periodic basis in connection with our primary business of buying and selling securities.

**Please refer to our [Reg BI Disclosure](#) for additional information about our brokerage services.**

We do not monitor your account on a continuous basis. To help you better understand the types of services we offer and the relationship we will have with you, we would like to discuss the following questions with you: *Given my financial situation, should I choose a brokerage service? 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?

We charge transaction-based fees, known as commissions, for brokerage services at the time any security is purchased or sold in your account. We make more when there are more trades in your account. This means we have an incentive to encourage you to trade often. Transaction charges cover order tickets, execution and clearing costs that we pay the clearing firm.

**You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any**

When we buy or sell a security from our inventory, commonly referred to as a principal trade, we will add a mark-up or mark down on each transaction. When we buy or sell a security as agent on your behalf, we will charge a commission on each transaction. These are an additional source of compensation for us. As a broker-dealer, we receive 12b-1 fees from mutual funds as an additional source of compensation. understand the impact of fees and costs, we would like

**amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.**

to discuss the following question with you: *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? How else does your firm make money and what conflicts of interest do you have?

**We do not provide recommendations. 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 services we provide you. Here are some examples to help you understand what this means.**

- **Third-Party Payments:** As a broker-dealer, we receive 12b-1 fees from mutual funds, and fees from cash sweep programs. This means we have a financial incentive to offer certain investments or programs to you. In addition, we receive a portion of the revenue that certain product sponsors and third-party money managers earn for investing client assets in their products/programs. This means we have an incentive to recommend certain investments and money managers to you.
- **Our investment personnel can invest in the same securities as clients.** This creates a risk that employees may receive better pricing for personal benefit.

To help you better understand the conflicts of interest we have with you, we would like to discuss the following question: *How might your conflicts of interest affect me, and how will you address them?*

## How do your financial professionals make money?

**You should carefully review our Conflicts of Interest Brochure for more detailed information about our conflicts of interest.**

[https://files.adviserinfo.sec.gov/IAPD/Content/Common/crd\\_iapd\\_Brochure.aspx?BRCHR\\_VRSN\\_ID=641207](https://files.adviserinfo.sec.gov/IAPD/Content/Common/crd_iapd_Brochure.aspx?BRCHR_VRSN_ID=641207)

Our financial professionals are licensed to provide brokerage services and receive different types of compensation when providing different types of services to you.

When providing brokerage services, our financial professionals are paid by commissions based on the amount of securities they buy and sell. This means your financial professional has an incentive to recommend certain products based on the compensation he or she will receive.

Our financial professionals are compensated based on the types of products sold. This means your financial professional has an incentive to recommend certain products based on the compensation he or she will receive.

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

Yes

Please visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research our firm and your financial professional.

To help you better understand our disciplinary history, we would like to discuss the following question with you: *As a financial professional, do you have any disciplinary history? For what type of conduct?*

## Additional Information

**You can find additional up-to-date information about our brokerage services and request a copy of our Relationship Summary by contacting us at 212-293-9090 or by email at [info@rflafferty.com](mailto:info@rflafferty.com).**

To help you better understand who to contact with any questions or complaints, we would like to discuss the following question with you: *Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?*

# Client Relationship Summary Form CRS BD

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