



As of March 30, 2022

## **FRANKLIN STREET ADVISORS, INC.—RELATIONSHIP SUMMARY**

### **ITEM 1: INTRODUCTION**

Franklin Street Advisors (FSA) is registered with the U.S. Securities and Exchange Commission as an investment adviser and a wholly owned, indirect subsidiary of Fifth Third Bank, National Association and Fifth Third Bancorp. Brokerage and investment advisory services and fees differ. It is important for you to understand the differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://investor.gov/CRS), which also provides educational materials about broker dealers, investment advisers, and investing.

### **ITEM 2: RELATIONSHIPS AND SERVICES**

#### ***—WHAT INVESTMENT SERVICES AND ADVICE CAN YOU PROVIDE ME?***

We offer regular advisory services in strategies utilizing various types of investments. We will work with you to develop an investment strategy to achieve your investment goals. You will have the opportunity to place reasonable restrictions with respect to the investments in your portfolio. The cash and securities comprising your portfolio will be held by a qualified custodian designated by you. As part of our standard services, we will have full **discretionary** authority to regularly and continually monitor and buy and sell investments in your account without asking you in advance. The typical minimum relationship size is \$1 million, although FSA, in its sole discretion, may choose to waive the minimum requirement.

*For additional information*, please see our [Form ADV, Part 2A](#) brochure, Items 4 and 7.

#### ***Ask your financial professional—***

- Given my financial situation, should I choose an investment advisory 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?

### **ITEM 3: FEES, COSTS, CONFLICTS AND STANDARD OF CONDUCT**

#### ***—WHAT FEES WILL I PAY?***

The fee for advisory services is an **asset-based fee** billed in arrears based on the value of cash and investments in your account at the end of each quarter. The fee schedule will be a tiered fee structure, meaning the fee is calculated by applying different rates to different portions of your total assets. When the account assets reach a new threshold, only those assets above the threshold are charged the lower percentage. The level of fee depends on the type of investments held in your account (equities, fixed income and cash). The client agreement shall specify if a minimum annual fee applies. For a select number of clients, FSA charges a fixed fee for certain advisory services or security recommendations.

You can be billed directly for the fees or elect to be invoiced and the fees debited from your custodian account. The more assets in your advisory account, including cash, the more you will pay in fees. We, therefore, have an incentive to encourage you to increase the assets in your account. In addition to the asset-based fee paid to us, you also pay transactional fees and various expenses (included as part of the share price you pay) to the sponsors of (not to FSA) mutual funds and exchange traded funds, if purchased for your account.

***You will pay fees and costs whether you make or lose 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.***

*For additional information*, please see our [Form ADV, Part 2A](#) brochure, Item 5.

#### ***Ask your financial professional—***

- 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 ACTING AS MY INVESTMENT ADVISER? HOW ELSE DOES YOUR FIRM MAKE MONEY AND WHAT CONFLICTS OF INTEREST DO YOU HAVE?**

When we 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 recommendations we provide you. Here are examples to help you understand what this means.

- The firm advises or sub-advises advisory accounts for various type clients. We seek to ensure that all clients are treated fairly and equitably over time regardless of the type of client, level of services provided, or the nature of its fee compensation.
- Franklin Street Trust (FST), an affiliate of FSA, is the Managing Member of a group of private investment funds. FSA is hired by FST to provide investment management services to FST clients. FSA has and may recommend investment in one or more of these private funds to certain clients who qualify.
- The level of fee depends on the type of investments held in your account. As a result, you could pay FSA a higher or lower fee depending on the investment strategy selected for your assets and/or the restrictions you place on your account.
- We have soft dollar arrangements where the broker-dealer uses credits generated from commissions paid to pay for certain products and services on our behalf. A conflict of interest exists with regards to products obtained with soft dollars because of the incentive to use your commissions to purchase these products that we otherwise would purchase directly.

*For additional information*, please see our [Form ADV, Part 2A](#) brochure, Item 6.

**Ask your financial professional—**

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

**—HOW DO YOUR FINANCIAL PROFESSIONALS MAKE MONEY?**

The firm's investment professionals receive a salary and a bonus based on a weighting of four objectives: investment performance, client satisfaction, compliance and proactive work process; relationship managers receive a salary based on the previous year's revenue, a commission based on net new revenue, and, potentially, a bonus based on revenue from estate administration. They also are eligible to receive restricted Fifth Third Bancorp stock under the long-term incentive plan. Client Portfolio Strategists receive a salary and an annual bonus based on asset growth, client retention, client asset dispersion, and compliance.

Compensation based on revenue could incent the employee to encourage you to choose higher fee and/or higher risk strategies. Ultimately, the strategy you choose is based on the results of your risk-profile analysis.

**ITEM 4: DISCIPLINARY HISTORY**

**—DO YOU OR YOUR FINANCIAL PROFESSIONALS HAVE LEGAL OR DISCIPLINARY HISTORY?**

No for the firm. Yes for advisory affiliates. No for the firm's financial professionals. Please see our [Form ADV, Part 1](#), Item 11.

*Free and simple tools are available to research our firm and financial professionals at [Investor.gov/CRS](#).*

**Ask your financial professional—**

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

**ITEM 5: ADDITIONAL INFORMATION**

*For additional information*, please see our Form ADV, Part 2A brochure, available at <https://adviserinfo.sec.gov/firm/summary/106275>. Additionally, our current Form ADV, Part 2A brochure and this relationship summary are available by contacting Franklin Street Compliance at 919.489.2600.

**Ask your financial professional—**

- **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?**