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APPENDIX E

In an Investment Advisory Account Right for You?

There are different ways you can get help with your investments. You should carefully consider which types of accounts and services are right for you.

We are an investment advisor and provide advisory accounts and services rather than brokerage accounts and service. This document gives you a summary of the type of services we provide and how you are charged. Please ask us for more information. There are suggested questions beginning on page 3.

Relationship and Services

- If you open an advisory account, you will pay an ongoing asset based fee at the end of each quarter for our service, based on the value of the total assets in your account.
- We will offer you advice on a regular basis. We regularly monitor your accounts. You may contact us by phone, email or post at least quarterly to discuss your portfolio.
- You may choose an account that allows us to buy and sell investments in your account without asking in advance (a “**discretionary account**”), or we may give you advice and you decide which investments to buy and sell, (“a **non-discretionary account**”).
- Our investment service will cover a limited selection of investments. Other firms could provide advice on a wider range of choices, some of which may have lower costs.

Our Obligations to You: *We must abide by certain laws and regulations in our interactions with you.*

- We are held to a fiduciary standard that covers our entire investment advisory relationship with you. For example, we are required to monitor your portfolio, investment strategy and investments on a regular basis.

- Our interests can conflict with your interests. We must eliminate these conflicts or tell you about them in a way you can understand, so you may decide whether or not to agree to them.

Fees and Costs: *Fees and costs affect the value of your account over time. Please ask your financial professional to give you personalized information on the fees and costs you will incur.*

- The amount paid to our firm and your financial professional generally does not vary based on the type of investments we select on your behalf. The asset-based fee will be deducted from your account.
- Our fees vary and are negotiable.
- You may pay a transaction fee when we buy and sell an investment for you. You may also pay fees to a broker-dealer or bank that will hold your assets, (called “**custody**”).
- The more assets you have in the advisory account, the more you will pay.

Compare with Typical Brokerage Accounts

You may also open a brokerage account with a **broker-dealer**, where you pay a **transaction-based fee**, generally referred to as a commission, when the broker-dealer buys or sells an investment for you. Features of a typical brokerage account include:

- With a broker-dealer, you may select investments or the broker-dealer may recommend investments for your account, but the ultimate decision for your investment strategy and the purchase and sale of investments will be yours.
- A broker-dealer must act in your best interest and not place its interests ahead of yours when the broker-dealer recommends an investment or an investment strategy involving securities. When a broker-dealer provides any service to you, the broker-dealer must treat you fairly and comply with a number of specific obligations. Unless you and the broker-dealer agree otherwise, the broker-dealer is not required to monitor your portfolio or investments on an ongoing basis.
- If you were to pay a transaction-based fee in a brokerage account, the more trades in your account, the more fees the broker-dealer charges.
- You may receive advice in either type of account, but you may prefer paying:
 - A transaction based fee: from a cost perspective, if you do not trade often or if you plan to buy and hold investments for longer periods of time.
 - An asset-based fee: if you want continuing advice or want someone to make investment decisions for you, even though it may cost more than a transaction-based fee.

Additional Information: *We encourage you to seek additional information.*

- We have legal and disciplinary events. Visit Investor.gov for a free and simple search tool to research our firm and our financial professionals.
- For additional information on our advisory services, see our Form ADV brochure on IAPD on Investor.gov.
- To report a problem to the SEC, visit Investor.gov or call the SEC's toll-free investor assistance line at (800) 732-0330. If you have a problem with your investments, account or financial professional, contact us in writing at fbranson@pacbell.net.

Key Questions to Ask: *Ask our financial professionals these key questions about our investment services and accounts:*

1. Given my financial situation, why should I choose an advisory account?
2. Do the math for me. How much would I pay per year for an advisory account? What would make those fees more or less? What services will I receive for those fees?
3. What additional costs should I expect in connection with my account?
4. Tell me how you and your firm make money in connection with my account. Do you or your firm receive any payment from anyone besides me in connection with my investments?
5. What are the most common conflicts of interest in your advisory accounts? Explain how you will address those conflicts when providing services to my account.
6. How will you choose investment to recommend for my account?
7. How often will you monitor my account's performance and offer investment advice?
8. Do you or your firm have a disciplinary history? For what type of conduct?
9. What is your relevant experience, including your licenses, education and other qualifications?
10. Who is the primary contact person for my account? What can you tell me about his or her legal obligations to me? If I have concerns about how this person is treating me, who can I talk to?