

Introduction

Advisors Asset Management, Inc (“AAM”, “we” or “us”) is registered as a broker-dealer and an investment adviser with the U.S. Securities and Exchange Commission (“SEC”). We are also a member of the Financial Industry Regulatory Authority, Inc. (“FINRA”) and the Securities Investor Protection Corporation (“SIPC”).

Brokerage and investment advisory services and fees differ. It is important for you to understand these differences. Free and simple tools are available to research firms and financial professionals at www.investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisers, and investing.

What investment services and advice can you provide me?

We offer *both* **brokerage** and **investment advisory** services to retail investors.

Brokerage Accounts and Services	Investment Advisory Accounts and Services
Relationships and Services	
<p>Our retail brokerage services are limited to buying and selling securities for your account. When we act as a broker-dealer for your brokerage account, we will execute trades based on your instructions. While we may make recommendations to you, you make all investment decisions. In your brokerage account, we do not have the ability to independently make investment decisions on your behalf—doing so is called “discretion”. You make the ultimate decision regarding the purchase or sale of securities. We don’t maintain custody of these brokerage accounts which are custodied at unaffiliated clearing firms. Our retail brokerage services are generally not open to any new customers other than our employees and friends and family members of our registered representatives. We do not offer these services to the general public.</p> <p>Our brokerage business also includes sponsorship and/or distribution of unit investment trusts, mutual funds, exchange traded funds, structured products and other products and services. When we are sponsoring or distributing these products and services, we do not have a customer relationship with you unless you purchase the product or service through your retail brokerage or advisory account with us. Your relationship is with an unaffiliated financial professional that offers the product or service.</p>	<p>Our retail investment advisory services involve the management of a portion of your investments using an identified strategy. You are our customer only when we have entered into a written agreement. That written agreement includes identification of client objectives and the applicable investment strategy along with any account restrictions that you require. For certain accounts and strategies, we may engage a sub-adviser to manage all or a portion of your investments.</p> <p>In addition to providing direct investment advisory service, we also provide access to certain of our investment strategies through various platforms including:</p> <ul style="list-style-type: none"> • On a sub-advisory basis (where another investment adviser is the primary investment adviser to your account); • Through a financial professional that charges a comprehensive wrap fee (a “wrap fee program”) where you pay a wrap fee and your wrap fee program sponsor make certain strategies available to you; and • We provide model portfolios to certain financial professionals and platforms and they make those model portfolios available to you. <p>When you access our strategies through these platforms, we do not have a direct customer relationship with you. Your relationship is with the primary investment adviser, wrap fee program sponsor or model portfolio program provider.</p> <p>Where we have a direct advisory relationship with you and where we act as a sub-adviser, we generally make investment decisions for your account on your behalf—this is called “discretion”. In other programs, you or your non-AAM financial professional generally make investment decisions based upon recommendations we provide. In these programs, you and/or your non-AAM financial professional make the ultimate decisions regarding the purchase or sale of securities.</p> <p>Our investment advisory business also includes acting as supervisor and evaluator to unit investment trusts and acting as investment adviser to certain open-end funds and exchange-traded funds. When we are providing these investment advisory services, we do not have a customer relationship with you unless you purchase these products through your retail brokerage or advisory account with us. Your relationship is with an unaffiliated financial professional that offers the product or service.</p>

Monitoring	
Except as specifically agreed with a customer, we do not provide any ongoing or periodic review or monitoring of brokerage accounts. Where we have not specifically agreed to monitor your account, you should conduct ongoing review and monitoring of the investments in your account.	For most of our retail advisory accounts, we provide ongoing monitoring of the investments in your account. The level and type monitoring depends upon the program and services you select and our written agreement. To the extent our written agreement does not provide for ongoing monitoring of your investment advisory account, you or your non-AAM financial professional should conduct ongoing review and monitoring of the investments in your account. For more information, refer to your agreement and our Form ADV Brochure available here: https://www.aamlive.com/fisdocuments/marketing/pdf/FormADVpart2A.pdf
Limited Investment Offerings	
We offer a limited selection of investments in our retail brokerage accounts. Other firms could offer a wider range of choices, some of which might have lower costs and/or provide the potential for greater returns or principal protection.	We offer a limited selection of investments in our retail investment advisory accounts that are restricted by the applicable investment strategy and the terms of our agreement with you. Other firms could offer a wider range of choices, some of which might have lower costs and/or provide the potential for greater returns or principal protection.
Account Minimums and Other Requirements	
There are no account minimums. However, our brokerage accounts and services are generally not open to any new customers other than our employees and friends and family members of our registered representatives. We do not offer these services to the general public.	Depending on the program and strategy you select, account minimums can range from \$100,000 to \$250,000. However, we can and do lower these minimums with certain customers at our discretion.
Additional Information	
For additional information about the accounts and services we offer, see the Regular BI Disclosure here: https://www.aamlive.com/fisdocuments/marketing/pdf/RegBI.pdf . To access our Form ADV Brochure , visit https://www.aamlive.com/fisdocuments/marketing/pdf/FormADVpart2A.pdf . You should also refer to the terms of any agreement between you and us, as applicable.	

Conversation Starter. Ask your financial professional...

- Given my financial situation, should I choose an investment advisory service? Should I choose a brokerage service? Should I choose both types of services? Why or whynot?
- 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?

Brokerage Accounts and Services	Investment Advisory Accounts and Services
Principal Fees and Costs	
As a retail brokerage client, you will pay a fee or a mark-up/mark-down for each transaction that occurs in your account. A mark-up/mark-down is a fee embedded in the price of an investment. A mark-up causes you to pay more when purchasing a security and a mark-down causes you to receive less when selling a security. Investments like mutual funds and unit investment trusts can include a “sales charge” or “sales load” that increase the amount you pay for an investment. This also means you will be charged more when there are more transactions in your account. This presents an incentive for us and our financial professionals to encourage you to trade more frequently. Our fees and mark-ups vary and are negotiable. The amount you pay will depend on factors such as how much you buy or	As an investment advisory client, you will pay a periodic fee based on a percentage of assets under our management. Generally, the more assets in your account, the more you will pay in fees. As a result, we and our financial professionals have an incentive to encourage you to increase the assets in your account. Fees and services are negotiated and will typically vary based on factors such as client type, asset class, pre-existing relationship, service levels, portfolio complexity, number of accounts, and account size. Some existing clients may pay higher or lower fees than new clients. Fees and related terms of payment of such fees for all our advisory services are governed by the terms of our written agreement with you. If you access our investment strategies through certain third-party

<p>sell, what type of investment you buy or sell, and what kind of account you have with us.</p> <p>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.</p>	<p>wrap fee programs, model portfolio programs, or a primary investment adviser where we act as sub-adviser, we generally receive payment directly from the program sponsor or primary adviser based on our agreement with them. You will still pay fees related to the wrap fee program or primary adviser directly to them.</p> <p>Consult your advisory agreement for a full description of fees that we will charge you for advisory services. You should also review our Form ADV Brochure at https://www.aamlive.com/fisdocuments/marketing/pdf/FormADVpart2A.pdf.</p>
Other Fees and Costs	
<p>You will be required to pay the underlying fees and expenses of the securities purchased in your account (e.g. fund sales fees, management fees and operating expenses). In addition, you will incur other fees and expenses associated with your account including transactional, brokerage and custodial fees; transfer taxes; fees associated with the purchase of non-U.S. securities; and other account transfer fees.</p>	
Additional Information	
<p>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. For additional information about fees, see the Regular BI Disclosure here: https://www.aamlive.com/fisdocuments/marketing/pdf/RegBI.pdf. To access our Form ADV Brochure, visit https://www.aamlive.com/fisdocuments/marketing/pdf/FormADVpart2A.pdf. You should also refer to the terms of any agreement between you and us.</p>	

Conversation Starter. 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 providing recommendations as my broker-dealer or when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?

When we provide you with a recommendation as your broker dealer or act as your investment adviser, we have to act in your best interest and not put our interests ahead of yours. As 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 and investment advice we provide you. Here are some examples to help you understand what that means.

- Proprietary Products: Proprietary products are investments that are issued, sponsored or managed by us. We may offer proprietary products in certain accounts. When you purchase a proprietary product, we earn more money as a result of the compensation paid to us. This creates an incentive for us to recommend proprietary product over other products.
- Third-party payments: Certain third parties pay us compensation when you purchase or use certain investment products or services. This creates an incentive for us to recommend these products and services over other products and services.
- Revenue Sharing: Certain third parties may share revenue with us that they receive when you purchase an investment product or services. This creates an incentive for us to recommend these products and services over other products and services.
- Principal trading: We may sell certain securities to you out of our own inventory and we may buy certain securities from you and place them in our inventory. In such instances, we will earn more money as a result of such sale or purchase than we would if we acted as your agent. This creates an incentive for us to recommend products that we may sell or buy as principal over others. In an investment advisory accounts, we can only act as principal if we have obtained your prior consent.

Additional Information

For additional information about conflicts of interest, see the **Regular BI Disclosure** here: <https://www.aamlive.com/fisdocuments/marketing/pdf/RegBI.pdf> and our **Form ADV Brochure** at <https://www.aamlive.com/fisdocuments/marketing/pdf/FormADVpart2A.pdf>

Conversation Starter. 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?

Our financial professionals are compensated through a combination of salary, commissions and/or bonuses. Their compensation is based primarily on the fees, commissions, asset levels and sales levels associated with our products and services. Their compensation is also influenced by other factors including tenure with the firm, overall firm or group success and other contributions to our success. Commissions and credit towards salary and bonus levels vary by product and service. This creates an incentive to recommend products and services that generate higher commissions and credit towards salary and bonus levels. In certain instances, our financial professionals will receive additional compensation if certain sales or asset targets are met in particular products, particular time periods and/or by particular product or sales teams. That creates an incentive for our financial professionals to take actions to meet those thresholds. This compensation structure means that financial professionals have a financial interest in recommending transactions that generate higher levels of credit for salary, commissions and/or bonus determinations. Your financial professional may also receive non-cash compensation such as reimbursement for education and training.

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

Yes. We and certain of our financial professionals have disciplinary or legal information that is disclosed in the BrokerCheck Report available at <https://brokercheck.finra.org>, our Form ADV available at <https://adviserinfo.sec.gov/> and on individual financial professionals' Form U4. Visit Investor.gov/CRS for a free and simple search tool to research us and our financial professionals.

Conversation Starter. Ask your financial professional...

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



Additional Information

You can find additional information about our brokerage and investment advisory services at <https://www.aamlive.com/legal/home>. You can obtain up-to-date information and a copy of this **Customer Relationship Summary** by going to <https://www.aamlive.com/fisdocuments/marketing/pdf/FormCRS.pdf> or by calling (719) 488-6141.

Conversation Starter. 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?

