

Form CRS

(Customer Relationship Summary)

September 19, 2022

International Assets Advisory, LLC is registered with the Securities and Exchange Commission (SEC) as a broker-dealer and a registered investment adviser, is a member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investor Protection Corporation (SIPC). International Assets Investment Management, LLC and Global Assets Advisory, LLC are affiliated investment advisers registered with the SEC, all of these entities may be collectively referred to as “we”, “our”, or “us”. Depending on your individual needs and investment objectives, we can provide you with services in a brokerage account, an investment advisory account, or both at the same time. Brokerage and investment advisory services and fees differ and it is important for you to understand these differences.

Free and simple tools are available to research firms and financial professionals at Investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisers, and investing.

Broker-Dealer Brokerage Accounts	Registered Investment Adviser Advisory Accounts
<i>What investment services and advice can you provide me?</i>	
<p>Our brokerage services include buying and selling securities, variable annuities and indexed annuities. When we provide brokerage services to you, we do not provide ongoing monitoring of your account. However, we will review your account before making recommendations to ensure we act in your best interest. Through our clearing firm, we will provide you with account statements on a quarterly or monthly basis</p> <p>We make investment recommendations, but we do not exercise discretion in your brokerage account. You make the ultimate decision regarding the purchase or sale of investments.</p> <p>There is no minimum to open a brokerage account, but certain products we offer, such as mutual funds and annuities, may have minimum investment amounts.</p> <p><i>For more detailed information on the products and services we offer, including limitations, visit IAAC.com/disclosures.</i></p>	<p>Our advisory services include financial planning programs and Third-Party Asset Manager Programs (TPAM). When we provide advisory services to you, we monitor your investment advisory account. The level and type of monitoring depends upon the program and services you select.</p> <p>We offer both discretionary and non-discretionary advisory accounts and offer both Sub-Advised TPAMs where we serve as your primary investment advisor and Solicitor of TPAMs where we are paid a fee and do not provide ongoing investment advice. You must have a minimum of \$50,000 in order to invest in an advisory account with us.</p> <p><i>For more detailed information on the products and services we offer, including limitations, visit our firm Form ADV, Part 2A Brochure, which is located at IAAC.com.</i></p>
<p>When we make a recommendation to you of a particular product or strategy, you should know that we offer a limited selection of investments. Other firms could offer a wider range of choices, including lower cost choices.</p>	

Broker-Dealer Brokerage Accounts	Registered Investment Adviser Advisory Accounts
Key Questions to Ask Your Financial Professional:	
<ul style="list-style-type: none"> • <i>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 why not?</i> • <i>What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?</i> • <i>How will you choose investments to recommend to me?</i> 	
What Fees Will I Pay?	
<p>When you transact business in a brokerage account, you will pay a transaction-based fee, generally known as a commission. The commission is based on the specific transaction, not the value of your account. With stocks, mutual funds and exchange-traded funds this fee is a commission. For a bond, this fee might be part of the price you pay for the investment. With mutual funds this fee reduces the value of your investment. Certain investments, such as mutual funds and variable annuities, impose additional fees that will reduce the value of your investment over time.</p> <p>Also, with certain investments such as certain mutual fund share classes and variable annuities, you may have to pay fees, such as surrender charges, when you sell the investment. The commissions you pay are disclosed to you on transactions confirmations or, for annuity purchases, within the product prospectus. In a brokerage account, more transactions result in us charging you more fees. We therefore have an incentive to encourage you to engage in transactions.</p> <p>In brokerage accounts, we also typically charge custodian fees, account maintenance fees, and other transaction and product fees. These fees are generally charged annually.</p> <p><i>For more information about these fees, please see our Schedule of Miscellaneous Account and Services Fees at: IAAC.com/fee-schedules.</i></p>	<p>When you open an advisory account, you will pay an ongoing asset-based fee for our services, based on the value of the cash and securities held within your account. Asset management fees are billed either monthly or quarterly in advance or in arrears. The asset-based fee is based on the value of your account and is not tied to any specific transactions within your account. The fee also does not generally vary based on the type of investments within your account. The asset-based fee reduces the value of your account.</p> <p>For wrap fee advisory accounts, the asset-based fee covers most transaction and custody costs, and as a result wrap fee advisory accounts are charged more than non-wrap fee advisory accounts.</p> <p>Some investments, such as mutual funds and ETFs impose additional fees that will reduce the value of your investment over time. The more assets you have in an advisory account, the more you will pay us. We therefore have an incentive to increase the assets in your account in order to increase our fees.</p> <p>In advisory accounts, we also typically charge custodian fees, account maintenance fees, and other transaction and product fees.</p> <p><i>For more information about these fees, please see our Schedule of Miscellaneous Account and Services Fees at: IAAC.com/fee-schedules.</i></p>

<i>Broker-Dealer</i> Brokerage Accounts	<i>Registered Investment Adviser</i> Advisory Accounts
<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>Key Question to Ask Your Financial Professional:</p>	
<ul style="list-style-type: none"> • 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? 	
<p>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?</p>	
<p><i>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 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 and investment advice we provide you. Here are some examples to help you understand what this means.</i></p> <p>We may share revenue or receive payments from third-parties. We may also act in additional capacities or have relationships with the issuer of securities we recommend to you which generates additional compensation. These factors can create an incentive to recommend certain products or services that pay us more. Visit the links below to learn more about these types of compensation and better understand what this means.</p>	
<p>In a brokerage account, we make money by selling you securities and investment products. Because we get paid when you complete a transaction, we have an incentive to encourage you to purchase more products and make more frequent purchases. Certain products, such as annuities, include continuing payments to us known as “trails.” We have an incentive to recommend investment products that include trails, even if other investments available to you have lower costs or may perform better.</p> <p>For some products we receive higher compensation than on other products. We have an incentive to encourage you to buy products that pay us more, even if other options might be better for you.</p> <p>When our interests conflict with your interests, we must mitigate these conflicts or tell you</p>	<p>In an advisory account, when our interests conflict with your interests, we must tell you about them in a way that you can understand so that you can decide whether or not to agree to them or eliminate the conflict.</p> <p>Conflicts could result in you paying more for your investments, or bringing additional assets into your advisory account, than you would if the conflict did not exist.</p> <p>In an advisory account we are paid a fee based on the total assets in your account. We could have an incentive to encourage you to maximize the total assets in your account either through investing with us or adding cash or other investments to your account. We could also have an incentive to engage in transactions that result in higher total assets in your account.</p>

<p>about them and, in some cases, take steps eliminate them.</p> <p><i>For a complete list of our general conflicts of interest and a description of all the ways we make money, visit IAAC.com/disclosures.</i></p>	<p><i>For additional information about our conflicts of interest and a description of all the ways we make money, view our Form ADV Part 2A brochure, which is located at IAAC.com.</i></p>
<p align="center">Broker-Dealer Brokerage Accounts</p>	<p align="center">Registered Investment Adviser Advisory Accounts</p>
<p align="center">Key Question to Ask Your Financial Professional:</p>	
<ul style="list-style-type: none"> • How might your conflicts of interest affect me, and how will you address them? 	
<p align="center">How does your financial professional make money?</p>	
<p>For brokerage accounts, your financial professional is paid a percentage of the selling compensation (commissions, markup, markdowns, loads – as described above) as well as trailing compensation.</p>	<p>For adviser accounts, your financial professional is paid a percentage of the total assets under management.</p>
<p>Your financial professional may also receive certain hiring/onboarding incentives such as a recruitment bonus or forgivable loan. They may also receive additional non-cash compensation such as travel to special conferences based on their performance or total revenue generated or reimbursement for certain expenses.</p>	
<p align="center">Do you or your financial professionals have legal or disciplinary history?</p>	
<p><i>Yes, you can visit Investor.gov/CRS for a free and simple search tool to research more information about our Firm and your financial professional.</i></p>	
<p align="center">Key Question to Ask Your Financial Professional:</p>	
<ul style="list-style-type: none"> • As a financial professional, do you have any disciplinary history? For what type of conduct? 	
<p align="center">Additional Information</p>	
<p>You can find additional information regarding our brokerage and advisor services by visiting our website, IAAC.com. If you need any other up-to-date information or would like a copy of our relationship summary sent to you, call us at (407)254-1500.</p>	
<p align="center">Key Question to Ask Your Financial Professional:</p>	
<ul style="list-style-type: none"> • 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? 	



Regulation Best Interest Disclosure Supplement

About Us

International Assets Advisory, LLC (“IAA”) is registered with the Securities and Exchange Commission (“SEC”) and a registered investment adviser, is a member of the Financial Industry Regulatory Authority (“FINRA”) and the Securities Investor Protection Corporation (“SIPC”). Primus Financial Services, LLC (“PFS”) is an affiliated broker dealer. International Assets Investment Management, LLC (“IAIM”) and Global Assets Advisory, LLC (“GAA”) are affiliated SEC registered investment advisers. IAA, PFS, IAIM and GAA may be referred to collectively as the “Firms”.

About this Document

This document is meant to provide additional information and disclosures regarding the Firms pursuant to Regulation Best Interest. For more information regarding IAIM or GAA, including the types of advisory accounts and services offered, you can visit: www.iaac.com

Capacity in which your Financial Professional is Acting

Your financial professional may be a registered representative of IAA, an investment adviser representative of IAIM and/or GAA, or both. You can obtain information concerning your financial professional at www.brokercheck.finra.org which will allow you to search for your financial professional by name. Their respective profile will indicate whether they are a broker, investment adviser, or both. You can also find additional information about IAA.

In most cases, when making a recommendation to you regarding investments in your brokerage account or directly with an investment sponsor (known as “direct business”) your financial professional is acting in his/her capacity as a registered representative of IAA. When providing advice or a recommendation regarding investments in a fee-based advisory account, your professional is acting in the capacity of an investment adviser representative for IAIM or GAA. Your account application or agreement will identify which type of account you have. However, there are exceptions and whenever your financial professional acts in a capacity inconsistent with this guidance, you will receive updated notice in writing as to the capacity in which they are acting when making a recommendation.

When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours. Under this rule's Provisions, we must

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put our financial interests ahead of yours when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.

Material Limitations

There are material limitations to the recommendations your financial professional provides. The Firms approve and offer only certain account types, products, securities, and services. There may be additional account types, products, securities, and services that are not offered by the Firms, which may benefit you and your portfolio. In addition, those that we do offer, may be available at a lower cost through another provider.

Additionally, the Firms' associated financial professionals are licensed to offer certain products and securities. In some cases, even when available through the Firms, your financial professional might not be able to recommend a particular product and/or security which may benefit you and your portfolio. You can obtain information concerning your financial professional's licenses and any limitations on that license, by visiting www.brokercheck.finra.org.

Requirements for You to Open or Maintain an Account with Us

Generally, IAA does not require a minimum amount to open a brokerage account, but IAIM and GAA require a minimum of \$50,000 to open an advisory account. However, IAIM and GAA may make exceptions to this policy on a case by case basis. It is important to note that some products do require a minimum investment. This information can be found in the investment prospectus, offering materials, or similar documents.

Our Firm's Investment Approach

The Firms use their industry knowledge and experience to provide brokerage and advisory services to retail clients. The Firms seek to understand each client's unique investment profile and recommend investments and strategies consistent with the client's unique financial needs. However, the products and services offered by the Firms vary and the investment philosophy, approach, risk, and objective of these investments will vary as well. You should review the prospects or similar offering documents thoroughly before making an investment decision and discuss any questions you may have with your financial professional.

Material Fees, Costs, and Associated Conflicts

IAA and its financial professionals receive compensation from the entities providing the investment products. This compensation takes the form of an upfront commission and/or ongoing compensation, known as trailing compensation. It is important to note that the amount of compensation can vary and change over time. In order to receive specific and the most up-to-date information, customers should review the respective prospectus, offering document, and/or other transaction or disclosure statement for additional and up-to-date information regarding selling compensation. You should contact your financial professional with any questions regarding compensation and/or the associated conflicts of interest.

IAIM, GAA and their financial professionals receive compensation based on a percentage of client's assets under management not from commissions generated from the purchase or sale of securities.

Sales Compensation

IAA receives selling compensation when it buys or sells a security. This selling compensation is also referred to as a commission, markup/markdown, placement fee, or sales charge/load. Typically, IAA receives selling compensation and shares a certain percentage of this compensation with your financial professional.

Because the amount of selling compensation charged can vary between different securities and products, this conflict could create an incentive to sell certain investments over others and/or create an incentive to conduct a higher number of transactions.

- **Equity/Exchange Traded Funds (ETF)/Exchange Traded Notes (ETN)/Closed End Fund (CEF)/Options:** The commission charged on these types of securities, typically will not exceed 5% of the transaction amount. Situations which may warrant a higher commission, include securities which are difficult or complex to trade or which otherwise require additional time and expertise to ensure IAA meets customer expectations. You should discuss commissions with your financial professional and review your trade confirmations
- **Fixed Income and Bonds:** Typically, fixed income securities, such as a corporate bonds, municipal bonds, collateralized mortgage obligations (CMO), and other types of fixed income securities are charged a markup or markdown. These type of charges mean that when a customer is seeking to purchase one of these securities it is first purchased by IAA and placed in an IAA account. IAA then sells the security to the customer for a higher price and moves the security from IAA's account into the customer's account. Similarly, when selling one of these securities, IAA purchases the security from the customer and moves it into an IAA account. IAA will then sell the security in the marketplace at a higher price. The maximum charge for a markup or markdown is typically 3%, but this amount can go higher in certain circumstances that may make the security harder to buy or sell, including a thinly traded security or low-priced security.

- **Mutual Funds and 529 Plans:** Typically the maximum sales load on mutual funds and 529 plans is 5.75%. However, this amount can be reduced based on a number of factors, including the amount invested and the share class. This sales load reduces the value of your investment. IAA also receives trailing compensation on these investments which can vary based on the share class selected. For more information regarding share classes, see below.
- **Annuities:** The maximum commission paid for the sale of an annuity is typically 8% but can vary based on the type of annuity chosen and share class, when applicable. For more information regarding share classes, see below.
- **Alternative Investments:** Typically the maximum upfront commission for alternative investments is 7%. Alternatives investments include hedge funds, private equity funds, real estate investment trusts (REITs), business development companies (BDCs) and private placements.
- **Structured Products:** The upfront commissions for structured products can be as high as 4%.
- **Unit Investment Trusts (UIT):** The maximum sales charge for a UIT will typically not exceed 3.95%

Understanding Share Classes: The amount of upfront selling compensation versus trailing compensation charged on certain products, such as mutual funds, variable annuities, or 529 investments will vary, depending on the share class selected. As an example, for mutual funds, typically, Class A shares will result in a higher upfront sales charge and lower trailing compensation, while the opposite is true for a Class C. Share classes can also affect the overall fee structure including how much and when you are charged. Which option is best for you can depend on a variety of factors, including how long you intend to hold the investment. ***In order to see a complete list of the share classes available for a particular investment and their respective costs, you should review the investment prospectus, offering document, and/or similar materials and disclosures.***

Product Costs and Fees

Financial professionals provide recommendations with respect to a broad range of investment products, including stocks, bonds, ETFs, mutual funds, annuities and alternative investments. Many investment products charge their own fees and costs that are separate from and in addition to the selling compensation that IAA and its financial professionals receive. You can learn more about these fees and costs by reviewing the product's prospectus, offering memorandum, or other disclosure documents.

Account Fees

In addition to the sales compensation and product specific costs described above, customers can also be charged direct fees and charges for miscellaneous account services such as wire transfers,

inactivity fees, account transfers (ACAT), order error corrections, and account maintenance. These fees are typically a fixed amount and charged by the clearing firm where your assets are custodied. Some of these fees may be shared with IAA. For a complete list of these charges and fees you should review your account agreement and/or fee schedule and discuss these charges with your financial professional.

Registered Representative Specific Compensation

The Firms' financial professionals' compensation package typically includes a percentage of the compensation described herein, but they may also receive other cash or non-cash compensation and benefits that may or may not be tied to their performance. Non-cash compensation may include travel or reimbursement of certain expenses. The percentage of the compensation the financial professional receives is negotiated with the Firms and is based on a number of factors. Financial professionals can also receive special recruitment incentives such as forgivable loans and bonuses. These loans may be contingent on generating a certain level of revenue, which creates an incentive for the financial professional to recommend more costly products or recommend a greater number of transactions in order to generate the necessary amount of revenue.

Additional Compensation from Third Parties and Related Conflicts

In addition to the compensation described above, the Firms and your financial professional may also receive additional compensation from third parties. This additional compensation could create incentive for the Firms to recommend certain investments over others in order to collect additional compensation. It is important to note, however, that the amount of compensation can change over time and may also vary between security types and product/investment sponsors. In order to receive specific and the most up-to-date information, customers should review the respective prospectus, offering document, and/or other transaction statement.

- **Other Trailing Compensation:** IAA also receives trailing compensation, including 12b-1 fees, which are paid from certain investment sponsors for mutual funds, annuities, and alternative investments. The amount can vary based on the product and amount invested. For mutual funds, the maximum amount is typically 1%, while annuities and alternative investments can be as high as 2%.
- **Product Onboarding:** The Firms receive onboarding fees or reimbursement for certain expenses associated with product onboarding, including due diligence. These payments can be fixed or a percentage of the total value of an offering.
- **Non-Cash Compensation and Marketing:** The Firms and their associated persons periodically receive compensation that is not transaction based from investment sponsors. This compensation includes entertainment, such as tickets to a sports game, costs associated with dinner, small gifts valued at less than \$100, or marketing fees for workshops, events, and advertising.

- **Cash Sweeps:** The Firms may receive some compensation when a cash balance is moved to a particular fund/account by the clearing firm where your assets are custodied. This compensation is usually not shared with your financial professional and varies based on a number of factors. Because many of these factors vary with the market, you should refer to your account agreement or similar document for additional information regarding cash sweeps and the compensation generated as a result.
- **Technology Funding/Reimbursements:** Some product sponsors may reimburse financial professionals for certain technology and tools. Examples may include payment for subscriptions to third party financial research and tools.
- **Securities Lending:** The Firms along with the customer, may receive a fee for securities lent to the clearing firm as part of a securities lending agreement. The amount of compensation received by the Firms can vary widely based on the security and number of shares.
- **Margin:** When a customer uses margin, IAA will receive a percentage of the interest charged. However, this amount can vary widely depending on a number of factors including market rates, which float. Therefore, you should review your margin agreement for additional information.
- **Portfolio Lines of Credit or SBLOC:** When a customer receives a portfolio line of credit, IAA will receive a percentage of the balance lent, which typically does not exceed 2%. However, the amount may vary and is based on numerous factors which can change, including market rates which float. Therefore, you should review your credit agreement for additional information.
- **Conference Sponsorships:** Some investment/product issuers/sponsors will pay IAA for sponsorship of conferences, meetings, and industry events which we host. The amount of compensation can vary widely depending on the event and the level of sponsorship offered. Typical sponsorships allow product and investment sponsors to provide information about their products and services. Although compensation for this sponsorship is not contingent or connected with a transaction, these sponsorships may create an incentive to recommend certain products and services to customers in order to encourage future sponsorship.
- **Acting in Additional Capacities:** IAA or its affiliates may periodically act in additional advisory, consulting, wholesaling, or other capacities with the investments and services we may recommend to clients; examples include acting as an underwriter or wholesaling a product or investment. This means when IAA or its affiliates act in these additional capacities we may receive additional compensation beyond the selling compensation which could incentivize IAA and/or its financial professionals to recommend those investments or services which result in additional compensation through the enterprise.

Additional Conflicts of Interests

Gifts and Entertainment A conflict of interest may arise when an associated person receives or offers a gift, entertainment, or anything of value that creates an incentive for an employee, third party service provider, or a client to act in a certain way.

Shared Revenues and Payments from Third Parties The Firms receive shared revenue, fees, and/or payments from product sponsors and our clearing firm which could create an incentive to offer or recommend certain activities and investments.

Acting in Principal Capacities IAA can earn a profit from buying and selling investments from our own accounts so we may have an incentive to encourage you to trade with us.

Proprietary Trading The Firms sometime engages in business and trading activities for their own account or client accounts while other clients are active in relevant markets at the same time. The Firms are incentivized to maximize their returns and certain trades could disadvantage the performance in a client's account.

Outside Business Activities When approved, financial professionals may engage in certain outside business activities. These activities may include, but are not limited to, real estate, accounting, insurance, legal, and other professions. As a result, financial professionals may be incentivized to recommend certain products or services outside the scope of their relationship with the Firms and the financial professionals may receive financial benefits from these recommendations. In addition, financial professionals may engage in personal trading or outside business activities (including board memberships/directorships), which could conflict with a client or with the Firms.

Political and Charitable Contributions The Firms and/or their associated persons charitable and/or political donations could create the perception that the Firms or associated person is seeking a quid pro quo.

Confidentiality The Firms and their associated persons are periodically exposed to confidential information which may benefit them or a client.

Affiliated Entities The Firms are affiliated with other entities, including a broker-dealer, registered investment advisers and insurance products and services. The Firm and client's investment professional is incentivized to refer customers to or direct business through all of these affiliates as it generates additional compensation for the firm and investment professional, directly, or through the enterprise.

Understanding Risk

The Firms do not provide tax, legal or accounting advice. Accordingly, we encourage each customer to consult their own personal tax, legal and/or accounting advisers in order to understand the potential consequences associated with a particular investment strategy.

Investing in securities involves risk of loss that customers should be prepared to bear. Different types of investments involve varying degrees of risk and there can be no assurance that any specific investment or investment strategy will be profitable for a customer's investment portfolio. Past performance is not indicative of future results. A customer should not assume that the future performance of any specific investment, investment strategy, or product will be profitable or equal to past or current performance levels. The Firms cannot assure that the investment objectives of any client will be realized. The following is a non-exhaustive list of risks associated with investing. For additional product-specific risks, customers should review their prospectus, offering document, or similar materials and consider them carefully prior to making an investment decision.

- **Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- **Inflation Risk:** When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- **Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized

product. For example, Treasury Bills are highly liquid, while real estate properties are not.

- **Financial/Credit Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value of securities.