

Strategic Partner Disclosure

Your Registered Representative and NEXT Financial Group, Inc. (“NEXT”) are providing you this information regarding NEXT’s revenue-sharing arrangements with its product sponsors to comply with the rules of the Securities and Exchange Commission (“SEC”), the Financial Industry Regulatory Association (“FINRA”), and the Municipal Securities Rulemaking Board (“MSRB”).

What is revenue sharing?

Revenue sharing means that NEXT accepts money from product sponsors such as mutual fund companies, insurance companies, real estate investment trust (“REIT”) companies and registered broker dealers (collectively “Strategic Partners”) which provide platform services to NEXT, including custody services of customer assets and the sales concession it earns when a customer purchases one of these products.

How is the amount of revenue determined?

The amount of revenue NEXT receives from each Strategic Partner is based on the volume of sales NEXT representatives transact with each Strategic Partner and a fee from broker dealers based on a percentage of assets custodied for customers.

Who are NEXT’s Strategic Partners?

NEXT’s Strategic Partners are those product sponsors that provide NEXT money in addition to the sales concession for selling their products or who provide platform or custodial services for customer assets. Not all product sponsors are Strategic Partners. For a current list of Partners, please visit the Client section of <http://www.nextfinancial.com>.

Why do the Strategic Partners participate in revenue-sharing with NEXT?

Revenue sharing is a way for product sponsors to advertise and potentially increase sales.

Strategic Partners are featured on NEXT’s representative-only website <http://nextrep.com> and in NEXT newsletters.

Does my NEXT representative receive a reward or bonus for selling shares of one of the Strategic Partners?

No. NEXT does not give representatives a reward or bonus for selling investment products of Strategic Partners. Representatives recommend products based on each customer’s needs and objectives.

Who receives the additional revenue?

NEXT Financial receives the revenue from the Strategic Partners; the revenue is not paid to your NEXT representative.

How does NEXT use additional revenue?

NEXT uses the additional revenue to pay for its annual sales conference. The conference is used to communicate new product ideas to NEXT representatives, train representatives and their assistants, and keep representatives abreast of regulatory requirements. The revenue is also used to pay for annual awards for the NEXT representatives who generate the most sales for the firm overall.

Who can I contact if I still have questions?

If you still have questions, you may contact your NEXT representative. You may also email the NEXT Financial at AskCompliance@nextfinancial.com or write us at

NEXT Financial Group, Inc.
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