



Part 2A WRAP Program Appendix

Advisor Managed Portfolio Platform

Current as of March 31, 2025

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This Brochure provides information about the qualifications and business practices of Osaic Institutions, Inc. If you have any questions about the contents of this Brochure, please contact us by email at oi.compliance@osaic.com, or by telephone at (203) 599-6000, or by mail at the address above. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Osaic Institutions, Inc. is an investment adviser registered with the United States Securities and Exchange Commission. Registration with the SEC does not imply that Osaic Institutions, Inc. or any person associated with Osaic Institutions, Inc. has achieved a certain level of skill or training.

Additional information about Osaic Institutions, Inc. is available on the SEC's website at adviserinfo.sec.gov.

Item 2: Material Changes

This section of our Brochure summarizes material changes that have occurred at our firm since the previous release of our Brochure. We will update this section of our Brochure on an annual basis and send a summary of any material changes at our firm along with a copy of our annual privacy policy mailing. You may receive a complete copy of our Brochure by contacting your Osaic Institutions Adviser or by contacting our firm at oi.compliance@osaic.com or at (203) 599-6000 or by downloading it at adviserinfo.sec.gov.

Since our last annual updating amendment on March 26, 2024, we have made the following material amendments to this Brochure:

Item 5 – Clarification of Money Market funds offered and Material Conflicts of Interest

Item 5 – Clarification of Fees for Paper Delivery of Documents

Item 9 – Addition of Various Additional Compensation Programs offered to Advisors (e.g. Advisor Appreciation)

Various updates to formatting throughout

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Item 4: Services, Fees, and Compensation

The Advisor Managed Portfolios (“Program” or “AMP”) is sponsored by Osaic Institutions, Inc. (referred to as “Osaic Institutions,” “we” or “us” or the “Firm”) is a Connecticut corporation headquartered in Meriden, Connecticut. We have been in business since 1993. We are registered with the SEC as an investment adviser and are also registered with the SEC and 50 states as a broker-dealer. We are a member of the Financial Industry Regulatory Authority (“FINRA”). As of December 31st, 2024, we managed client assets of approximately \$1,088,522,664 on a discretionary basis and \$2,935,926,307 on a non-discretionary basis. Osaic Institutions is owned 100% by Osaic Institutions Financial Holdings, Inc (“OIFH”). On October 3, 2022, OIFH was acquired by Osaic Holdings, Inc. (“OHI”) which is owned primarily by a consortium of investors through RCP Artemis Co-Invest, L.P., an investment fund affiliated with Reverence Capital Partners LLC. The consortium of investors includes RCP Genpar Holdco LLC, RCP Genpar L.P., RCP Opp Fund II GP, L.P. and The Berlinski Family 2006 Trust.

Osaic Institutions’ advisory services are made available to clients primarily through individuals associated with Osaic Institutions as investment adviser representatives (“IARs”). For more information about the IAR providing advisory services, clients should refer to the Brochure Supplement for the IAR. The Brochure Supplement is a separate document that is provided by the IAR along with this Brochure before or at the time client engages the IAR. If client did not receive a Brochure Supplement for the IAR, the client may contact the IAR or Osaic Institutions at oi.compliance@osaic.com.

As noted above, Osaic Institutions is also a broker-dealer registered with FINRA, and IARs are typically also registered with Osaic Institutions as a broker-dealer registered representatives. Therefore, in such case, IARs are able to offer a client both investment advisory and brokerage services. Before engaging with an IAR, clients should take time to consider the differences between an advisory relationship and a brokerage relationship to determine which type of service best serves the client’s investment needs and goals. Clients should speak to the IAR to understand the different types of services available through Osaic Institutions.

Advisory Services

The Program begins with your Advisory Representative working with you to identify your investment goals and objectives as well as risk tolerance. Your Advisory Representative will then create an initial portfolio allocation designed to complement your financial situation and personal circumstances.

Your Advisory Representative has the option to allocate your portfolio amongst a mix of stocks, bonds, options, exchange-traded funds, mutual funds and other securities (“Program Investments”) which are based on your investment goals, objectives, and risk tolerance. Your Advisory Representative has the option to recommend model portfolios, option trading and/or margin as a part of the chosen strategy. Upon your agreement, this portfolio allocation will be managed in your Program Account.

The investment strategies utilized in the Program depend upon your investment objectives and goals as provided to your Advisory Representative. Portfolios are constructed along basic investment objective categories, however you and each client have the opportunity to place reasonable restrictions on the type of investments to be held in your Program Account.

Your Advisory Representative will manage your account on either a discretionary or non-discretionary basis. We define discretionary management as the ability to trade your account, without obtaining your prior consent, the securities and amount of securities to be bought or sold, and the timing of the purchase or sale. It does not extend to the withdrawal or transfer of your account funds. Non-discretionary management means that your Advisory Representative does not have the ability to perform the aforementioned without your consent. However, your Advisory Representative has the option to periodically rebalance your account to maintain the initially agreed upon asset allocation without your consent. In addition, the Firm has limited discretionary trading, solely with respect to any and all transactions executed in order to convert certain mutual fund holdings in your Account to a lower-cost share class, whenever such share class is available.

Program Fees

The Program is offered alternatively as an Account with separate advisory fees and transaction charges (“Non-Wrap Fee”) or as an account where no separate transactions charges apply and a single fee is paid for all advisory services and transactions (“Wrap Fee”). In both Wrap Fee and Non-Wrap Fee accounts, client may pay a monthly or quarterly account fee, in advance or arrears, based upon the market value of the assets held in your account as of the last business day of the billing period. Or, the fee may also be based on the average daily balance of the account for the billing period. The amount, frequency, and methodology of the fee will be set out in the client agreement executed by the client at the time the relationship is established. Fees are generally directly deducted from the client accounts.

In the event that additions to, or withdrawals from, the account are made in excess of \$10,000 during any given month or quarter, the Account Fee will be adjusted on a pro-rata basis to the account from which the charge was debited, based on the market value of the assets at such time to reflect the addition or withdrawal. Adjustments are calculated as follows:

- As of the date a withdrawal of \$10,000 or more, fees paid in advance on the withdrawn amount for the remaining calendar days in the month or quarter will be refunded (“Prior Fees Paid”).
- As of the date of the addition of \$10,000 or more, fees will be recalculated on the additional amount for the remaining number of calendar days in the month or quarter (“Recalculated Fees”).
- The applicable rate for the Recalculated Fees or Prior Fees Paid will be determined based on the market value of the assets as of the date of the addition or withdrawal as applied to the Tiered and Linear method described below. If you were to add assets and separately withdraw assets during the same monthly or quarterly billing period, the rate applied to your Recalculated Fees versus Prior Fees may be different.
- The net difference of the Recalculated Fees and the Prior Fees Paid, if there are multiple such events in the same billing period, will be combined at the next billing period and therefore may result in a credit or debit to the account.

In computing the market value of assets, mutual fund shares will be calculated at their respective net asset values as of the valuation date in accordance with each mutual fund prospectus. With respect to accounts that utilize margin, the “net worth” or “net equity” value of the account, not the long or short market value, will be used to determine the Account Fee. With respect to accounts that purchase or sell option contracts, the positive or negative value of the option will be included in the net equity value of the account for purposes of determining the Account Fee. Please be aware that option contracts are a “wasting” asset, in that they have value only through the date on which they expire. If call option contracts are sold in conjunction with securities held in a Program Account, (often referred to as covered call options) the cash received on the sale of the option may have the effect of temporarily increasing the net equity value of the Program Account, and thus increasing the amount of the Account Fee.

Methods of Calculating Account Fees

Your Account Fee calculation method is billed using either the “Tiered” or “Linear” as agreed upon on your client agreement. To illustrate, please refer to the sample billing schedule below:

Total Program Account Value:	Program Account Fee:
\$0 – \$249,999	X%
\$250,000 – \$499,999	Y%
Under the Tiered billing method, a Total Program Account Value of \$400,000 the first \$249,999 would be billed at X% with the remaining \$150,001 to be billed at Y%.	
Under the Linear billing method, a Total Program Account Value of \$400,000 would be billed at Y%.	

Negotiation of Account Fees

Subject to the maximum Account Fee limitations imposed by the fee schedules that follow, each Advisory Representative: (i) negotiates with clients their own Account Fee schedule, and (ii) determines on a client by client basis the Accounts that will be included in the same “household” for purposes of calculating the Account Fee.

Account Fees and terms are negotiated on a case-by-case basis, depending on a variety of factors, including the nature and complexity of the particular service, the requirements of your particular Advisory Representative, your relationship with your Advisory Representative, the size of the Account, the potential for other business or clients, the amount of work anticipated and the attention needed to manage the Account, among other factors.

Fee Schedules

Wrap Fee Option

If you select the Wrap Fee option, you will pay a single Account Fee that is inclusive of ticket charges for the purchase and sale of securities. Please consider that depending upon the level of the Account Fee charged, the amount of portfolio activity in your account, the value of services that are provided under the Program, and other factors, the Account Fee

may or may not exceed the aggregate cost of such services if they were to be provided separately. Our policy and procedures are designed to ensure our Related Persons recommend Wrap Fee Advisory Accounts only for actively managed accounts.

The Wrap Fee option offers a bundled charge that is inclusive of transactional (i.e., trading) costs and is meant to be utilized by investors who have an intention to actively trade their account. A Non-Wrap Fee account is generally more cost-effective for you if you do not intend to actively trade your account. While there is no precise determinant for an actively traded account, if you are engaging in a small number of transactions per year, you should discuss in detail with your advisor if a wrap-account is appropriate for your needs.

The Wrap Account Fee is composed of two components, the "Administrative Fee" and the "Advisory Fee." The rates charged for these components are determined based on several factors described in more detail below, including but not limited to the size of your account, services provided, and the Advisory Fee negotiated. The annual Account Fee schedule applied to your account will not exceed 2.50% of Program Assets for new accounts. Please note, that certain accounts amended into the Program can be under different fee schedules where the maximum total Account Fee paid by you could be higher (up to 3.00%). The Account Fee charged in any given month or quarter will be reflected in the account statements sent to you.

Administrative Fees

The portion of the Account Fee allocated to the Administrative Fee covers administrative, and supervisory services provided by your Advisor's associated Broker-Dealer as well as transaction, execution, clearing and custodial services as provided by the clearing broker-dealer. The Administrative Fee is set on a sliding scale depending on the size of the assets in the account with a maximum of 0.26%. With regard to any assets invested in mutual funds that are advised by an affiliate of the Firm¹, the assets will be excluded from the calculation of the Administrative Fee. A discounted Administrative Fee Schedule is available for certain Advisory Representatives that meet the qualifications. The discount will be based upon the aggregated total of Account Fee billings from all clients your Advisory Representative maintains in the Program. The discount ranges can be a partial or full reduction of the Administrative Fee. If your Advisory Representative receives a discounted Administrative Fee, your Advisory Representative's compensation will increase or decrease by the amount of the discount received, but your Total Account Fee and cost will remain unchanged.

Advisory Fees

The Advisory Fee is the remainder of the Account Fee and is primarily paid to your Advisory Representative for the provision of their personal advisory services rendered in qualifying you for investment in the Program, as well as for ongoing supervision and/or portfolio monitoring of Program Investments. Advisory Fees are negotiated on a case-by-case basis, depending on a variety of factors, including the nature and complexity of the particular service, your relationship with us and our Advisory Representative, the size of the account, the potential for other business or clients, the amount of work anticipated and the attention needed to manage your account.

Non-Wrap Fee Option

Clients who select the Non-Wrap Fee option will pay separate Transaction Charges in addition to the Account Fee. The custodian and Advisor's associated broker-dealer receive portions of the transaction charges. The Non-Wrap Fee is composed of two components, the "Administrative Fee" and the "Advisory Fee." The rates charged for these components are determined based on several factors described in more detail below, including but not limited to the size of your account, services provided, and the Advisory Fee negotiated. The annual Account Fee schedule applied to your account will not exceed 2.50% of Program Assets for new accounts. Please note, that certain accounts amended into the Program can be under different fee schedules where the maximum total Account Fee paid by you could be higher (up to 3.00%). The Account Fee charged in any given month or quarter will be reflected in the account statements sent to you.

Administrative Fees

The portion of the Account Fee allocated to the Administrative Fee covers administrative, and supervisory services provided by your Advisor's associated Broker-Dealer as well as transaction, execution, clearing and custodial services as provided by the clearing broker-dealer. The Administrative Fee is set on a sliding scale depending on the size of the assets in the account with a maximum of 0.17%. With regard to any assets invested in mutual funds that are advised by an affiliate of the Firm, the assets will be excluded from the calculation of the Administrative Fee.

A discounted Administrative Fee Schedule is available for certain Advisory Representatives that meet the qualifications. The discount will be based upon the aggregated total of Account Fee billings from all clients your Advisory Representative maintains in the Program. The discount ranges can be a partial or full reduction of the Administrative Fee. If your Advisory

Representative receives a discounted Administrative Fee, your Advisory Representative's compensation will increase or decrease by the amount of the discount received, but your Total Account Fee and cost will remain unchanged.

Please note that Ladenburg Thalmann Asset Management, Inc. ("LTAM") is an SEC registered investment adviser affiliated with Osaic Institutions, Inc. LTAM offers the Ladenburg Funds (i.e., Ladenburg Income Fund, Ladenburg Income & Growth Fund, Ladenburg Growth & Income Fund, Ladenburg Growth and Ladenburg Aggressive Growth), as well as the Total Portfolio Series funds (Collective Investment Trusts) established for retirement plans. Our Advisory Representative can recommend clients invest in these funds as well as other Ladenburg portfolios. Transactions within these funds are executed through Ladenburg Thalmann & Co, Inc. (a registered broker/dealer affiliated with Osaic Institutions, Inc. which receives no commissions when executing trades on behalf of the Funds.

Advisory Fees

The Advisory Fee is the remainder of the Account Fee and is primarily paid to your Advisory Representative for the provision of their personal advisory services rendered in qualifying you for investment in the Program, as well as for ongoing supervision and/or portfolio monitoring of Program Investments. Advisory Fees are negotiated on a case-by-case basis, depending on a variety of factors, including the nature and complexity of the particular service, your relationship with us and our Advisory Representative, the size of the account, the potential for other business or clients, the amount of work anticipated and the attention needed to manage your account.

Transaction Charges for Non-Wrap Accounts

Transaction Fee Schedule	
Exchange Listed Equities including ETFs (purchases & sales)	\$7.00
OTC Equities (purchases & sales)	\$7.00
Options (purchases & sales)	\$7.00
Listed Bonds (purchases & sales)	\$7.00
Bonds (Corp., Treasury, Municipal & Money Mkt.) & CDs (purchases & sales)	\$7.00
UITs (purchases & sales)	\$7.00
Load Mutual Funds @NAV	
Purchases & Redemptions	\$7.00
Dollar Cost Averaging	\$0
Systematic Redemption	\$0
Internal Exchanges	\$0
No-Load Mutual Funds	
Purchases (initial & subsequent)	\$7.00
Redemptions (initial & subsequent)	\$7.00
Illiquid and Alternative Investments	
Daily NAV Interval Funds (purchases & sales)	\$7.00
Monthly NAV REITs (purchases & sales)	\$7.00
Registered Daily NAV REITs (purchases & sales)	\$50.00

Custodial Surcharge - Paper Fees

For clients who receive mail delivery of account statements, trade confirmations, prospectuses and other account notices, a Paper Surcharge Fee of \$4.50 will be charged per quarter, per account, in arrears at the end of the quarter. You can eliminate this fee by signing up for electronic delivery by contacting your Advisory Representative or going to equipt.osaic.com. The fee schedule can be found at osaic.com/disclosures. The Paper Surcharge Fee applies to both Wrap Fee and Non-Wrap Fee accounts.

In cases where your Advisory Representative pays the above fee, there is an incentive for your Advisory Representative to trade less often or to recommend different products to avoid the fee. Our policy and procedures are designed to ensure our Related Persons make recommendations to you that are in your best interest. Furthermore, to mitigate this conflict, you can sign up for

electronic delivery.

No Transaction Fee Programs

Certain no-load or load at net asset value (“NAV”) mutual funds are available for purchase, sale or exchange without incurring transaction costs. These funds are offered through Pershing and NFS’ no transaction fee programs (respectively, the “Pershing Mutual Fund NTF Program” and “NFS Mutual Fund NTF Program”) as described below. Certain exchange-traded funds are also available through Pershing and NFS’ no transaction fee program (the “Pershing ETF-NTF Program” and the “NFS ETF-NTF Program”), also described below. Pershing and NFS determine which funds participate in the Pershing-NTF Program and the NFS ETF-NTF Program, respectively. We do not make this determination. The status of a particular fund may change over time, and whether the program terms apply is determined at the time of transaction.

Pershing Mutual Fund NTF Program

No-load, institutional share classes and Class A share purchases at NAV mutual funds may be purchased without incurring transaction costs subject to a \$500 minimum purchase amount through Pershing (the “Pershing Mutual Fund NTF Program”). If a mutual fund in the Pershing NTF Program is sold prior to a 2-month hold/redemption period, a \$25.00 charge will be passed on to you, under both wrap and non-wrap fee contracts (except for wrap programs where we pay the ticket charge). This charge is in addition to other fees, charges, and restrictions that may be imposed by the mutual fund company for short-term trading and redemptions. Please see the below table as a reference guide.

Purchases of \$500 or more	\$0.00
Purchases Less Than \$500	\$7.00
Redemptions held 2 months or longer	\$0.00
Redemptions held Less Than 2 months	\$25.00

Pershing ETF-No Transaction Fee Program

Pershing offers a no-transaction fee exchange-traded fund program (the “Pershing ETF-NTF Program”) which, includes ETFs with no transaction fees. ETFs in the Pershing ETF-NTF Program have no purchase minimums or holding periods.

NFS Mutual Fund NTF Program

You can purchase, sell or exchange a select group of no-load or load at NAV mutual funds through NFS’ no-transaction fee program (the “NFS Mutual Fund NTF Program”) without incurring transaction costs, purchase minimums or holding periods.

NFS ETF-No Transaction Fee Program

NFS’ offers a no-transaction fee exchange-traded fund program (the “NFS ETF-NTF Program”) which, includes ETFs with no transaction fees. ETFs in the NFS ETF-NTF Program have no purchase minimums or holding periods.

Surcharge Fees Imposed on Your Account

A surcharge of up to \$10 is assessed for transactions in certain mutual funds. The surcharge applies to each purchase and sale transaction for such mutual funds, but excludes exchanges and periodic investments. Upon request, your Advisory Representative will provide you with a list of mutual funds subject to the surcharge fee. This list is subject to change from time to time.

Advisory Services to Variable Annuity Sub-Accounts

Your Advisory Representative has the option to utilize the Program tools to manage Variable Annuity products (“Program VAs”) that are maintained outside of a standard Program Account. Although the Variable Annuities and their respective Sub-Accounts will be represented on various Program reports (i.e., Performance Reporting) the Variable Annuities are held directly at the Variable Annuity Sponsor.

Program VAs are only available to be managed as part of an existing client group, consisting of one or more Program Accounts. Your Advisory Representative has the option to use the various Program tools to manage the Program VA’s Sub-Accounts in accordance with your risk tolerance. However, the Advisory Representative will not direct reallocations of the Sub-Accounts through the Program. In such cases when a reallocation is required, the Advisory Representative will direct and execute such reallocation transactions directly through the Variable Annuity Sponsor.

The Program VA Fee Schedule is composed of two components, the “Administrative Fee” and the “Advisory Fee.” The rates charged for these components are determined based on several factors described in more detail below, including but not limited to the size of your account, services provided, and the Advisory Fee negotiated. The annual Account Fee

schedule applied to your account will not exceed 2.50% of Program Assets for new accounts. Please note, that certain accounts amended into the Program can be under different fee schedules where the maximum total Account Fee paid by you could be higher (up to 3.00%). The Account Fee charged in any given month or quarter will be reflected in the account statements sent to you.

Administrative Fees

The portion of the Account Fee allocated to the Administrative Fee covers administrative, and supervisory services provided by your Advisor's associated Broker-Dealer. The Administrative Fee is set on a sliding scale depending on the size of the assets in the account with a maximum of 0.17%.

A discounted Administrative Fee Schedule is available for certain Advisory Representatives that meet the qualifications. The discount will be based upon the aggregated total of Account Fee billings from all clients your Advisory Representative maintains in the Program. The discount ranges can be a partial or full reduction of the Administrative Fee. If your Advisory Representative receives a discounted Administrative Fee, your Advisory Representative's compensation will increase or decrease by the amount of the discount received, but your Total Account Fee and cost will remain unchanged.

Advisory Fees

The Advisory Fee is the remainder of the Account Fee and is primarily paid to your Advisory Representative for the provision of their personal advisory services rendered in qualifying you for investment in the Program, as well as for ongoing supervision and/or portfolio monitoring of Program Investments. Advisory Fees are negotiated on a case-by-case basis, depending on a variety of factors, including the nature and complexity of the particular service, your relationship with us and our Advisory Representative, the size of the account, the potential for other business or clients, the amount of work anticipated and the attention needed to manage your account.

Program VAs are not assessed transaction charges since all reallocations are placed directly with the Variable Annuity sponsor.

Securities Backed Line of Credit (SBLOC)/ Non-Purpose Loans

Osaic Institutions receives Third-Party compensation from participant banks and clearing brokers based on a markup on the interest in amounts of up to 175 basis points (1.75%) charged on the amount of the outstanding loans. The compensation varies depending on the participant bank or clearing broker that you select to provide your loan. This compensation is a conflict of interest because Osaic Institutions has a financial incentive for the client to select a lender that pays compensation to Osaic Institutions over one that does not, and an incentive for the client to maintain outstanding loans through the program. However, Osaic Institutions does not share this compensation with its Advisory Representatives. Osaic Institutions and its Advisory Representatives interests in continuing to receive investment advisory fees is an incentive to recommend that clients borrow money rather than liquidating some of their assets managed by Osaic Institutions, when it could be in a client's best interest to sell such assets instead of using them as collateral for a loan. Osaic Institutions maintains policies and procedures to ensure recommendations made to you are in your best interest and in conjunction with the lack of compensation to your Advisory Representative, believes this mitigates any conflict to Osaic Institutions.

Sweep programs

As described above, accounts custodied at the Custodians will be eligible for the Sweep Program. In connection with the Sweep Program, the custodian automatically transfers free credit balances in the client's account to a deposit account at one or more banks whose deposits are insured by the Federal Deposit Insurance Corporation (the Bank Deposit Sweep Program ("BDSP") or the Insured Cash Account Program ("ICAP") or, in limited cases, to a money market mutual fund product (the "Money Market Mutual Fund Program"). These programs are described below.

FDIC Insured Deposit Program (BDSP & ICAP)

Eligible account types: all accounts except ERISA Title 1 accounts, 403(b)(7), & Keogh plans

Free credit balances swept to a deposit account earn interest that is compounded daily and credited to the client's account monthly. Interest begins to accrue on the date of deposit with the banks participating in the program ("Program Banks"), through the business day preceding the date of withdrawal from the deposit account. The daily rate is 1/365 (or 1/366 in a leap year) of the posted interest rate.

Bank Deposit Sweep Program - BDSP

Osaic Institutions has established deposit levels or tiers which ordinarily pay different rates of interest on different deposit balances; accounts with higher deposit balances may receive higher rates of interest than those with lower balances. The amount of interest the client receives on deposit accounts will be determined by the amount of interest paid by the

Program Banks, minus the amount of fees charged by the Custodians, Osaic Institutions, and other service providers. Interest rates paid on the deposit accounts may be higher or lower than interest rates available to depositors making deposits directly with Program Banks or with other depository institutions in comparable accounts. The amount of fees received by the Custodians, Osaic Institutions, and any other service provider reduces the interest the client receives on his or her deposit account(s). The IAR does not receive any portion of the fees paid by the Program Banks.

Insured Cash Account Program - ICAP

Osaic Institutions will receive a monthly per-account fee for services it provides in connection with maintaining and administering the Sweep Program for IRA accounts held in an advisory/ fee-based office range (the "Sweep Account Fee"). The Sweep Account Fee is not based on the amount of assets in the FDIC Program or in your Program Account, and it does not depend on or vary with (and is not affected by) the actual amounts held in the deposit accounts or the client's program account. The Sweep Account Fee will reduce the interest the client is paid on the amount of assets in the program account. The Sweep Account Fee will generally be paid by the Program Banks on the program account's behalf; however, the Sweep Account Fee or a portion thereof may be deducted directly from the program account if, for example, the amounts paid by the Program Banks are insufficient to cover the Sweep Account Fee. In a low interest rate environment, Osaic Institutions at its discretion may decide to waive (that is, to not collect) all or a portion of the Sweep Account Fee paid by the Program Banks. Waiving all or a portion of the Sweep Account Fee will reduce the impact of the Sweep Account Fee on the interest the client receives. Under this Program, Osaic Institutions will receive a fee from the Program Banks in connection with the deposit accounts. The fee received may differ among each Program Bank. The client will have no rights to the amounts paid by the Program Banks, except for interest actually credited to the client's account. The amount of fees received by the Custodians, Osaic Institutions, and any other service provider reduces the interest the client receives on his or her deposit account(s).

Money market mutual funds - Pershing

Free credit balances in the following Program Account types custodied at Pershing will be automatically swept into the Federated Hermes Government Reserves Fund (GRFXX), which is managed by Federated Hermes Investors ("Federated Hermes"):

- All ERISA Title 1 account types, including Profit Sharing Plans, 401(k), Roth 401(k), Simple 401(k), Individual 401(k), qualified deferred compensation plans, defined benefit plans, target benefit plans, and money purchase pension plans
- 403(b)(7) accounts
- Keogh plans

The Federated Hermes Government Reserves Fund is a money market mutual fund and seeks to maintain a stable share price of \$1.00. The Fund invests primarily in a portfolio of short-term U.S. Treasury and government securities. These investments include repurchase agreements collateralized fully by U.S. Treasury and government securities. The Fund uses repurchase agreements to provide a liquidity base for the portfolio and a potential yield advantage relative to other short-term securities. Although the Fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Osaic Institutions does not receive any compensation from the Federated Hermes Government Reserves Fund.

For additional information about the Sweep Program for accounts custodied at Pershing, please visit our website located at osaic.com/disclosures.

Material conflicts of interest

Because the Sweep Program generates significant payments from third parties (i.e., the Program Banks that participate in BDSP and/or ICAP) to Osaic Institutions, a conflict of interest exists. A conflict of interest also arises because we earn more compensation from cash balances being swept to or maintained in the Sweep Program than if you purchase other investment funds or securities. The more client deposits held in BDSP, and the longer such deposits are held, the greater the compensation we, our clearing firms, and the third-party administrator receive. By investing through an advisory account, the compensation we receive from the BDSP or ICAP, as applicable, is in addition to the advisory fees that you pay. This means that we earn two layers of fees on the same cash balances in client advisory accounts with us. If we did not receive such compensation, which is in addition to advisory, transaction, servicing and other fees and compensation related to Program Accounts, such client fees (including advisory fees) would generally be higher. In addition, a conflict of interest arises as a result of the financial incentive for the Firm to recommend and offer a Sweep Program over which they have control of certain functions. Osaic Institutions has the ability to establish and change interest rates paid on Sweep Program balances, to select or change Program Banks that participate in the BDSP and ICAP, and to determine the tier levels (if applicable) at which interest rates are paid, all of which generates additional compensation for Osaic

Institutions.

The Advisory Representative who makes investment recommendations for your Program Account does not receive any compensation from these payments or based on the selection of the sweep vehicle. The Firm maintains policies and procedures to ensure recommendations made to you are in your best interest. For more information about this service and benefits that we receive in connection with such deposits, please refer to the Sweep Program terms and conditions document, which you can request from your Advisory Representative.

Given the conflicts discussed above, each client should consider the importance of BDSP and ICAP to us when evaluating our total fees and compensation and deciding whether to utilize the BDSP and/or ICAP.

Distribution Assistance

For additional information on such distribution assistance, please refer to our [Indirect Compensation Disclosure](https://osaic.com/disclosures) located at osaic.com/disclosures or you may refer to the Fund's prospectus or your Advisory Representative for additional information related to such fees. In an effort to maintain a positive yield to a customer, a fund company may reduce or waive a portion or all of its internal management and/or distribution fees. Please consult the Fund's prospectus, or your Advisory Representative, for additional information on such fee waivers.

Section 31 SEC Transaction Fee

In accordance with Section 31 of the Securities Exchange Act of 1934, self-regulatory organizations (SROs) — such as the Financial Industry Regulatory Authority (FINRA) and all of the national securities exchanges — must pay transaction fees to the Securities and Exchange Commission (SEC) based on the volume of securities that are sold on their markets ("Section 31 SEC Transaction Fee"). The Section 31 SEC Transaction Fee is designed to recover the costs incurred by the government, including the SEC, for supervising and regulating the securities markets and securities professionals. The SROs have adopted rules that require their broker-dealer members to pay a share of these fees. Broker-dealers, in turn, impose fees on their customers that provide the funds to pay the fees owed to their SROs.

Section 31 SEC Transaction Fees imposed on your Program Account are calculated as number of shares multiplied by price per share multiplied by a specified rate set by the SEC; a small fraction of a cent that will fluctuate periodically. The applicable fee will appear on your trade confirmation. To find the current rate for Section 31 transaction fees, please visit the Division of Market Regulation's Frequently Requested Documents webpage, and click on the most recent Fee Rate Advisory under "Section 31 Fees."

Neither the Firm, nor your Advisory Representative receive any portion of the Section 31 SEC Transaction Fee.

Item 5: Account Requirements and Types of Clients

Types of Clients

The Program is available to individuals, pension and profit-sharing plans, trusts, estates, charitable organizations, corporations, banks as well as other business entities.

Minimum Account Size

The minimum account size is \$10,000, which, in certain scenarios, is waived by the Advisor. This includes but is not limited to instances where the client intends to bring in additional assets or the account depreciates.

Item 6: Portfolio Manager Selection and Evaluation

Your Advisory Representative is the sole portfolio manager available with respect to the Program. Because your Advisory Representative is the portfolio manager in this Program you acknowledge that you have chosen him or her to act in this capacity. Advisory Representatives are selected by their Firms based on various criteria including experience. You should refer to the relevant Form ADV of the Firm with which your Advisory Representative is associated.

Item 7: Client Information Provided to Portfolio Managers

Your personal identification, account and holdings data are disclosed to your Advisory Representative to enable your

Advisory Representative to help determine the Program Investments that are suitable for you. Your Advisory Representative provides us with access to the following client related information:

- account opening documents (which include, among other things, your investment objective, risk tolerance and any account restrictions you imposed on management of assets);
- your investment guidelines (if applicable); and
- reports relating to the performance of your account.

A copy of the Firm's privacy notice is available in the disclosure section of our affiliated broker/dealers website:

<https://osaic.com/disclosures>.

Item 8: Client Contact with Portfolio Managers

You are encouraged to contact your Advisory Representative with respect to any changes regarding your investment objectives, risk tolerance and requested restrictions with respect to management of your Program Investments. You should direct any questions that you have regarding the Program to your Advisory Representative.

Item 9: Additional Information

Disciplinary Information

We are required to disclose in Item 9 information about legal or disciplinary events that would be material to your evaluation of our advisory business or the integrity of our management.

In March of 2019, Osaic Institutions consented to an order by the Securities and Exchange Commission ("SEC") in connection with the SEC's Share Class Selection Disclosure Initiative (the "Initiative"). Pursuant to the Initiative, Osaic Institutions self-reported to the SEC that it failed to adequately disclose conflicts of interest related to the sale of higher cost mutual fund share classes when lower cost share classes were available. Specifically, the SEC order found that Osaic Institutions placed clients in mutual fund share classes that charged 12b-1 fees when lower cost share classes may have been available. Pursuant to the order, Osaic Institutions agreed to a cease and desist, a censure, and to repay to clients all improperly disclosed fees along with prejudgment interest in the aggregate amount of \$978,698.85. Osaic Institutions also agreed to undertake a review and to correct all relevant disclosure documents concerning mutual fund share class selection and 12b-1 fees. Lastly, Osaic Institutions agreed to evaluate whether existing clients should be moved to an available lower cost share and to move clients as necessary. Consistent with the terms of the Initiative, the SEC did not impose penalties against Osaic Institutions.

In July of 2018, Osaic Institutions entered into a consent order with the Massachusetts Securities Division in connection with its supervision of certain brokerage products and transactions in the Commonwealth of Massachusetts. Without admitting or denying the findings, Osaic Institutions consented to a censure, fine of \$125,000, restitution of \$59,409.40 to client accounts, and the engagement of a consultant to review Osaic Institutions' policies and procedures.

Osaic Institutions, as a broker-dealer, is a member of the Financial Industry Regulatory Authority ("FINRA"). In October of 2015, Osaic Institutions entered into a Letter of Acceptance, Waiver and Consent ("AWC") with FINRA in connection with the sales and supervision by Osaic Institutions and its registered representatives of certain unit investment trusts ("UITs"). The findings were related to Osaic Institutions' failure to apply brokerage sales charge discounts to certain customers' eligible purchases of UITs. The findings stated that Osaic Institutions failed to establish, maintain and enforce a supervisory system and written supervisory procedures reasonably designed to ensure that customers received sales charge discounts on all eligible UIT purchases. Without admitting or denying the findings, Osaic Institutions consented to a censure and fine of \$150,000 and restitution of \$109,627.84 to client accounts.

In April of 2014, Osaic Institutions entered into an AWC with FINRA in connection with the sales and supervision by Osaic Institutions and its registered representatives of certain non-traditional exchange traded funds. Without admitting or denying the findings, Osaic Institutions agreed to a censure and a fine of \$75,000. In addition, Osaic Institutions agreed to pay restitution to customers who lost money in these transactions in the amount of approximately \$287,000.

Other Financial Industry Activities and Affiliations

Advisors that offer the Program may be "Related Persons" to us. Your Advisory Representative could provide advisory services through an Advisor that is an independent investment advisory firm and unaffiliated with us. Your Advisory

Representative could provide advisory services through an Advisor that is an independent investment advisory firm and unaffiliated with us. You should see the ADV Part 2A of your Advisor that will be provided to you for information regarding any of their other financial industry affiliations and for any associated conflicts of interest.

Code of ethics and personal trading

Osaic Institutions has adopted a code of ethics that includes guidelines regarding personal securities transactions of its employees and IARs. The code of ethics permits Osaic Institutions employees and IARs to invest for their own personal accounts in the same securities that Osaic Institutions and IARs purchase for clients in program accounts. This presents a conflict of interest because trading by an employee or IAR in a personal securities account in the same security on or about the same time as trading by a client can disadvantage the client. Osaic Institutions addresses this conflict of interest by requiring in its code of ethics that Osaic Institutions employees and IARs report certain personal securities transactions and holdings to Osaic Institutions. Osaic Institutions has procedures to review personal trading accounts for front running. Employees and IARs are also required to obtain pre-approval for investments in private placements and initial public offerings. A copy of the code of ethics is available to clients or prospective clients upon request.

If the client desires instead to purchase securities in a brokerage account through IAR acting as a registered representative of Osaic Institutions, Osaic Institutions and IAR will receive brokerage-related compensation for those services, such as commissions and/or trail fees. Osaic Institutions provides information regarding such brokerage compensation at the time of a brokerage transaction and also on its website at osaic.com. When considering whether to implement recommendations received pursuant to a financial plan or consulting services through the IAR and Osaic Institutions, clients should discuss with the IAR how Osaic Institutions and IAR will be compensated for any recommendations in the plan.

It is important to note that clients are under no obligation to implement recommendations received pursuant to a financial plan or consulting services through Osaic Institutions. Clients should understand that the investment products, securities and services that an IAR recommends as part of financial planning and consulting services are available to be purchased through broker-dealers, investment advisers or other investment firms not affiliated with Osaic Institutions.

A portion of the fee to the IAR may be paid by the IAR to his or her Osaic Institutions branch manager or another Osaic Institutions representative for supervision or administrative support. There is a conflict of interest when a branch manager receives a portion of this fee for supervision because the fee affects his or her ability to provide objective supervision of the IAR.

Review of accounts

Clients receive written account statements no less than quarterly for managed accounts. Account statements are issued by the Client's custodian. Client receives confirmations of each transaction in account from Custodian and an additional statement during any month in which a transaction occurs. Osaic Institutions may also send periodic or other event-inspired reports based on market or portfolio activity. Reports will generally be provided in electronic format.

Client referrals and other compensation

Osaic Institutions has entered into agreements with various Subscribing Institutions, pursuant to which the IARs may solicit applications from, negotiate with, and sell or offer investment services and products to customers of the Subscribing Institutions during the term of the agreement. Employees of the Subscribing Institutions may refer customers to Osaic Institutions and the Subscribing Institutions may pay them a referral fee under the guidelines of SEC Regulation R. The investment services and products marketed to the customers of Subscribing Institutions are offered and sold exclusively by IARs contracted by Osaic Institutions, who are licensed with the appropriate regulatory authorities pursuant to the applicable state and federal insurance and securities laws and regulations. The Subscribing Institution is compensated by Osaic Institutions in connection with the sales of all securities, insurance products and advisory fees.

This referral compensation varies, but in situations where the financial professional is employed by the financial institution, the financial institution typically receives 80% to 95% of the investment advisory fees earned on such services. This range is lower in situations where the financial professional is not an employee of the financial institution, typically between 20% and 50% of the advisory fees. This referral arrangement does not result in any increase in the fees you pay to Osaic Institutions. The financial institution is paid directly by Osaic Institutions for the referral. The Subscribing Institution then shares a portion of the compensation with the IAR. The Subscribing Institution establishes the compensation plan for the IAR, which is subject to approval by Osaic Institutions. The compensation plan determines how the IAR's compensation is structured and the amount of compensation the IAR will receive. IARs have a financial incentive to recommend a particular service or product if under the compensation plan the recommended product will result in more compensation to the IAR than another product or service, including advisory versus brokerage services. If an IAR is recommending an advisory program or service, he or she must believe that the program or service is suitable

and in the best interests of the client.

In addition, Osaic Institutions provides other forms of compensation to Subscribing Institutions, such as bonuses, awards or other things of value offered by Osaic Institutions to the institution. In particular, Osaic Institutions pays financial institutions in different ways, including payments based on production, payments in the form of repayable or forgivable loans, payments in connection with the transition of association from another broker-dealer or investment adviser firm to Osaic Institutions, advances of advisory fees, or attendance at Osaic Institutions' national conference or top producer forums and events. Osaic Institutions pays this compensation based on overall business production and/or on the amount of assets serviced in Osaic Institutions advisory programs. Subscribing Institutions are also eligible to receive compensation from Osaic Institutions in order to assist with offsetting time and expense in coordinating transfers of client accounts from third-party investment platforms to Osaic Institutions' platform. As a result, the Subscribing Institution and IAR have a conflict of interest and financial incentive for the IAR to recommend the program account and services that will result in the greatest compensation to the Subscribing Institution and the IAR. If Osaic Institutions makes a loan to a new or existing Subscribing Institution, there is also a conflict of interest because Osaic Institutions' interest in collecting on the loan affects its ability to objectively supervise an IAR at that Subscribing Institution. In addition, Subscribing Institution employees who are not associated with Osaic Institutions often refer prospective customers to IARs working in the Subscribing Institution. These employees frequently receive a nominal referral fee from the Subscribing Institution (typically up to \$25) as compensation for each referral.

Referrals to other investment advisers

Clients placed with Third Party Asset Managers ("TPAM") to which Osaic Institutions solicits on behalf of will be billed in accordance with that TPAM's fee schedule, which will be disclosed to the Client prior to signing an agreement. When referring Clients to a TPAM, the Client's best interest will be the main determining factor of Osaic Institutions. All TPAMs that Osaic Institutions recommends must be a Registered Investment Advisors with the SEC or with the appropriate state authority(ies).

These practices represent conflicts of interest because Osaic Institutions is paid a Solicitor Fee for recommending the TPAM and may choose to recommend a particular TPAM based on the fee Osaic Institutions is to receive. This conflict is mitigated by disclosures, procedures and Osaic Institutions' fiduciary obligation to act in the best interest of its Clients. Clients are not required to accept any recommendation given by Osaic Institutions and have the option to receive investment advice through TPAMs of their choosing.

Other compensation

As a broker-dealer, investment adviser and insurance producer, Osaic Institutions offers a large number of products to our customers. It is important to know that a number of companies whose products are offered through Osaic Institutions pay extra compensation to Osaic Institutions. These companies, referred to as "Product Partners", include mutual fund companies, insurance carriers, issuers of structured products and issuers of non-traded real estate investment trusts. Product Partners are selected, in part, based on the competitiveness of their products, their technology, their customer service and their training capabilities. Product Partners have more opportunities than other companies to market and educate our IARs on investments and the products they offer. The amount of compensation paid to Osaic Institutions varies by Product Partner. In general, Product Partners may compensate Osaic Institutions by paying (i) a fixed dollar amount or paying a sponsorship fee for an Osaic Institutions event, (ii) a percentage of product sales, (iii) a percentage of customer assets invested in the products, or (iv) a combination of the above. Product Partners pay Osaic Institutions differing amounts of revenue sharing, for which the Product Partner receives different benefits.

In addition, Osaic Institutions employees and IARs receive compensation in the form of gifts valued at less than \$100 annually, an occasional dinner or ticket to a sporting event, or reimbursement in connection with educational meetings with the IAR, client workshops or events, marketing events or advertising initiatives, including services for identifying prospective clients. Clients of Osaic Institutions do not pay more to purchase the products of Product Partners through Osaic Institutions. This additional compensation to Osaic Institutions creates a conflict and incentive for Osaic Institutions and its IARs to promote Product Partner products over other products. Osaic Institutions manages this conflict by not sharing the identity of the Product Partners with its IARs. Likewise, IARs do not receive additional compensation for selling a Product Partner product, although the IAR may benefit indirectly when Product Partner payments are used to support costs relating to review, marketing and training.

Cash in an investment advisory account that is awaiting investment or reinvestment may be invested in the Sweep Program. Rates in the Sweep Program offered by Osaic Institutions will vary over time and may be higher or lower than the rate paid on other sweep options or other money market mutual funds not offered by Osaic Institutions as a cash sweep option.

The Custodians are the clearing firms for Osaic Institutions' brokerage and advisory business. They provide significant compensation to Osaic Institutions to offset its general operating expenses based on the number of accounts and/or

account assets held by Osaic Institutions. Compensation received consists of a fixed dollar amount per account and percentage of net new assets and total assets held in clearing accounts. Due to the significant penalties Osaic Institutions would incur if Osaic Institutions terminated these contracts within the first several years of contract implementation, Osaic Institutions has an incentive to continue with the long-term contracts Osaic Institutions has in place.

These clearing firms also shares with Osaic Institutions a portion of the fees you pay for certain transactions and services provided to you. In other instances, Osaic Institutions applies its own fee or an additional amount to the fees charged (a "markup"). Our financial professionals typically do not receive any part of the revenue generated by these fees. The compensation Osaic Institutions receives in connection with these transactions and services is an additional source of revenue to Osaic Institutions and presents a conflict of interest because Osaic Institutions has a greater incentive to make available, recommend, or make investment decisions regarding investments and services that provide additional compensation to Osaic Institutions over those investments and services that do not. However, this compensation is retained by Osaic Institutions and is not shared with your IAR, so your IAR does not have a financial incentive to recommend transactions and services that trigger this compensation.

Please also refer to our Brokerage Account Commission & Fee Schedule located at osaic.com/disclosures to find additional details regarding brokerage and custodial fees.

IAR compensation

The IAR recommending an advisory service receives compensation, directly from Osaic Institutions or indirectly through a Subscribing Institution, as the case may be. IARs are compensated by Osaic Institutions (directly or indirectly) as independent contractors and not as employees. This compensation includes a portion of the advisory fee and such portion received by IAR may be more than what IAR would receive at another investment adviser firm. Such compensation may include other types of compensation, such as bonuses, awards or other things of value offered by Osaic Institutions or the Subscribing Institution to the IAR. In particular, Osaic Institutions pays its IARs in different ways, for example:

- payments based on production
- payments in connection with the transition of association from another broker-dealer or investment adviser firm to Osaic Institutions
- payments in the form of repayable or forgivable loans
- advances of advisory fees
- reduction or elimination of certain costs or expenses otherwise payable by the IAR
- attendance at Osaic Institutions conferences and events.

Osaic Institutions pays IARs this compensation based on the IAR's overall business production and/ or on the amount of assets serviced in Osaic Institutions advisory relationships. The amount of this compensation may be more or less than what the IAR would receive if the client participated in other Osaic Institutions programs, programs of other investment advisers or paid separately for investment advice, brokerage and other client services. Therefore, in such case, the IAR has a financial incentive to recommend advisory services over other programs and services. However, an IAR may only recommend a program or service that he or she believes is suitable for you and in your best interest. Osaic Institutions has systems in place to review IAR-managed accounts for suitability over the course of the advisory relationship.

If an IAR has recently become associated with Osaic Institutions, he or she may have received payments from Osaic Institutions or the Subscribing Institution in connection with the transition from another broker-dealer or investment adviser firm. These payments, which may be significant, are intended to assist an IAR with the costs associated with the transition, such as moving expenses and termination fees associated with moving accounts; however, Osaic Institutions does not confirm the use of these payments for such transition costs. These payments can be in the form of loans to the IAR, which are repayable to Osaic Institutions or forgiven by Osaic Institutions based on years of service with Osaic Institutions (e.g., if the IAR remains with Osaic Institutions for 5 years) and/or the scope of business engaged in with Osaic Institutions, including the amount of advisory account assets with Osaic Institutions. The receipt of these payments creates a conflict of interest in that an IAR has a financial incentive to recommend that a client open and maintain an account with the IAR and Osaic Institutions for advisory and/or brokerage services. In addition, these transition payments create a conflict and an incentive to recommend switching investment products or services where a client's current investment options are not available through Osaic Institutions. Osaic Institutions and its IARs attempt to mitigate these conflicts of interest by evaluating and recommending that clients use Osaic Institutions' services based on the benefits that such services provide to clients, rather than the transition payments earned by any particular IAR. However, clients should be aware of this conflict and take it into consideration in making a decision whether to establish or maintain a relationship with Osaic Institutions. If Osaic Institutions makes a loan to a new or existing IAR, there is also a conflict of

interest because Osaic Institutions' interest in collecting on the loan affects its ability to objectively supervise the IAR.

Networking Arrangements

There is an option for Osaic Institutions and its Advisory Representatives to offer advisory services on the premises of unaffiliated financial institutions, like banks or credit unions. In such a case, Osaic Institutions will enter into networking agreements with financial institutions pursuant to which we share compensation, including a portion of the advisory fee, with the financial institution for the use of the financial institution's facilities and for client referrals.

Recruiting and Transition Assistance

To assist in the costs of transitioning from another investment adviser, we provide various benefits and/ or payments to certain Advisory Representatives that are newly associated with Osaic Institutions. The proceeds of the transition assistance payments are intended to be used for a variety of purposes, including but not limited to, providing working capital to assist in funding the Advisory Representative's business, satisfying outstanding debt owed to the Advisory Representative's previous firm, technology set-up fees, marketing and mailing costs, stationery and licensure transfer fees, moving expenses, office space expenses, and staffing support. The amount of the transition assistance is generally based on the size of the Advisory Representative's business established at his or her prior firm. This assistance is generally in the form of loans to the Advisory Representative and are forgiven based on the years of service with Osaic Institutions.

The receipt of the recruiting/transition assistance creates a conflict in that the Advisory Representative has a financial incentive to recommend a client to open and maintain an account with Osaic Institutions.

Top Producer Opportunities

Osaic Institutions offers additional educational, training, marketing and home office support services and events for those Advisory Representatives that meet overall revenue production goals. While these goals are not specific to any type of product or service offered, a conflict of interest exists because these opportunities provide a financial incentive for Advisory Representatives to recommend investment products and advisory services in general.

Advisor Appreciation Program

Osaic Institutions provides the following compensation and ownership opportunities to certain Advisory Representatives:

- The Custodial Net New Asset Program – We will make additional annual payments to Subscribing Institutions and Advisory Representatives of approximately 35 basis points (0.35%) on average on all new assets added to our customer accounts custodied with Pershing and NFS. The payment depends on a number of factors. Your Advisory Representative may receive a higher payment. Please reach out to your Advisory Representative for information about this conflict. The Custodial Net New Asset Program provides an incentive for your Advisory Representative to select the Pershing and NFS custodial location for your brokerage accounts because compensation is paid to the Subscribing Institution and/or the Advisory Representative (rather than a custodial location at an investment sponsor which would not result in additional compensation).
- The Referral Rewards Program – Subject to certain qualifications and restrictions, the Firm will make payments to the Subscribing Institution or affiliated Financial Professionals for referrals of unaffiliated Institutions or Financial Professionals. For each qualified referred Institution or Financial Professional which affiliates with the Firm, the referring Subscribing Institution or Financial Professional will receive up to 3% of the referred Institution's or Financial Professional's trailing 12-month production and up to 3% of the referred Institution's or Financial Professional's first 12 months of production. The Firm is responsible for these payments and the payments to the Subscribing Institution or the Financial Professional are not a portion of the fees and/or commissions you pay. A Subscribing Institution's or your Financial Professional's status as a referring Subscribing Institution or Financial Professional is not a conflict to you because if referring, the referred Subscribing Institution's or Financial Professional's production is unrelated to your account. The Subscribing Institution's or your Financial Professional's status as a referred Institution or Financial Professional is not a conflict to you, because The Subscribing Institution's or your Financial Professional is not compensated specifically for being part of the Referral Rewards Program.

Loans

Osaic Institutions provides loans to certain Advisory Representatives as an incentive to establish, maintain, or expand their brokerage and advisory relationships. The repayments of such loans are typically dependent on the financial professional retaining affiliation with Osaic Institutions through the end of the loan period. These loans create a conflict of interest for the financial professional to retain affiliation with Osaic Institutions in order to avoid repayment of the loan. Please note the forgivable notes referenced in the section above on Advisor Appreciation Programs.

Strategic Partners

In addition to commissions or asset-based fees, Osaic Institutions receives compensation (“revenue sharing payments”) from the below categories:

- **Packaged Products:** certain mutual funds, exchange traded funds (ETFs), variable insurance products, fixed insurance products, direct participation programs, alternative investments, and unit investment trusts (UITs)
- **Retirement Plan Partners:** third-party firms, including plan recordkeeping platforms as well as investment managers of mutual funds and the issuers of annuities
- **Third-Party Managers:** certain third-party money managers offered through accounts custodied away from the Broker-Dealer
- **Collateralized Lending Partners:** certain banking institutions that collateralize certain investment accounts to obtain secured loans

The above categories are hereinafter referred to as (“Strategic Partner” or “Strategic Partners”). Strategic Partners are selected, in part, based on the competitiveness of their products, their technology, their customer service and their training capabilities. Strategic Partners have more opportunities than other companies to market and educate our Advisory Representatives on investments and the products they offer. Revenue sharing payments are typically calculated as a fixed fee, as an annual percentage of the amount of assets held by customers, or as a percentage of annual new sales, or as a combination. Strategic Partners pay differing amounts of revenue sharing, for which the Strategic Partner receives different benefits. You do not pay more to purchase Strategic Partner investment products than you would pay to purchase those products through another broker-dealer. Additionally, revenue-sharing payments received are not paid to or directed to your Advisory Representative. Nevertheless, a conflict of interest exists, in that Osaic Institutions is paid more if you purchase a Strategic Partner product, and your Advisory Representative indirectly benefits from Strategic Partner payments when the money is used to support costs of product review, marketing or training. This conflict of interest is mitigated by the fact that your Advisory Representative does not receive any additional compensation for selling Strategic Partner products, and that Osaic Institutions maintains policies and procedures to ensure recommendations are in your best interest.

Osaic Institutions will update information regarding Strategic Partners who participate in revenue sharing arrangements with Osaic Institutions on its website on a regular basis. For additional information, including specifics on the revenue share amounts, please refer to our [Indirect Compensation Disclosure](#) located at osaic.com/disclosures. From time to time, Osaic Institutions also receives revenue sharing payments from companies that are not Strategic Partners, generally to cover meetings expenses.

Clearing & Custodial Firms

The Custodians provide significant compensation to Osaic Institutions in their capacity as introducing broker/dealer to offset its general operating expenses based on the number of accounts and/or account assets held by Osaic Institutions. Compensation received consists of a fixed dollar amount per account and percentage of net new assets and total assets held in clearing accounts at the clearing firms. The specific terms of this compensation differ between the Custodians.

Due to the significant penalties Osaic Institutions would incur if Osaic Institutions terminated the contracts with the Custodians within the first several years of contract implementation, Osaic Institutions has an incentive to continue with the long-term contracts Osaic Institutions has in place with the Custodians. Our Advisory Representatives receive indirect compensation from Osaic Institutions for certain level of assets with Custodians. Thus, they are incentivized to recommend these Custodians to you over other options.

Certain custodian fees apply to your clearing accounts. In some instances, Osaic Institutions pays a portion of the fee charged. In some instances, Osaic Institutions applies a markup to these fees. Please see the Custodians Client Fee Disclosure brokerage fee schedules (website below) for details on all of these fees which identifies each specific item which Osaic Institutions mark-ups. Depending on the custodial fee, it is applied annually, per transaction, per month or per CUSIP. The above forms of compensation are in addition to advisory fees you pay to us. Osaic Institutions exercises no discretion, nor provides any advice or recommendation in the selection of the Custodian for any specific account or client. As a result, any difference in compensation to Osaic Institutions is based solely on the contracts with the Custodians and your Advisory Representative’s election of a Custodian. Secondly, Advisory Representatives do not share in any compensation paid by the custodians to Osaic Institutions. As a result, Advisory Representatives have no financial conflict of interest in any recommendation of a Custodian to clients. Please refer to the [Client Fee Disclosure - Pershing Clearing](#) and [Client Fee Disclosure - NFS Clearing](#) located at osaic.com/disclosures to find additional details regarding custodial fees. For more information regarding the above forms of compensation, please refer to our [Indirect Compensation Disclosure](#) located at osaic.com/disclosures.

Other Cash and Non-Cash Compensation

In addition to reimbursement of training and educational meeting costs, Osaic Institutions and its Advisory

Representatives may receive promotional items, meals or entertainment or other non-cash compensation from representatives of mutual fund companies, insurance companies, and Alternative Investment Products, as permitted by regulatory rules. Additionally, sales of any mutual funds, variable insurance products and Alternative Investment Products, whether or not they are those of Strategic Partners, can qualify Advisory Representatives for additional business support and for attendance at seminars, conferences and entertainment events. From time to time, non-Strategic Partners attend Firm sponsored meetings for a fee.

Financial information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about Osaic Institutions' financial condition. Osaic Institutions has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding. Nor do we require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.