

Brochure
(Part 2A for Form ADV)

NFP Securities, Inc.

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This brochure provides information about the qualifications and business practices of our firm, NFP Securities, Inc. If you have any questions about the contents of this brochure, please contact us at 512-697-6000 or your financial advisor.

The U.S. Securities and Exchange Commission, as well as state securities authorities, have not approved or verified information in our brochure. Additional information about our firm may be found at www.adviserinfo.sec.gov

References to our firm as a “registered investment adviser” or any reference to being “registered” does not imply a certain level of skill or training.

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 the brochure on an annual basis and send a summary of any material changes at our firm along with our annual privacy policy mailing. You may receive a complete copy of our brochure by contacting your financial advisor or by contacting our firm at 512-697-6464.

Since our last update on Form ADV, we have added two disciplinary disclosures. A summary of those events is provided within the Disciplinary History section of this disclosure document.

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Advisory Business

Introduction

This brochure describes the investment advisory services we provide. In addition to being an investment adviser, our firm is also a broker-dealer and insurance agency. We provide securities (such as stocks, bonds, mutual funds and variable insurance, among others), investment advice and other financial services to clients. We provide investment advice through financial advisors registered with our firm. We refer to these financial advisors as “Advisors” in this brochure. Most of our Advisors are also registered representatives of our broker-dealer. In addition, many of our Advisors also act as insurance agents independent from our firm. We generally do not provide fixed insurance products or services. To the extent your Advisor provides fixed insurance products or services to you, he or she does so outside of our firm and supervision. Our five primary methods of providing investment advisory services are: (1) Advisor Managed Accounts; (2) Third-Party Recommendations; (3) Financial Planning and Financial Consulting; (4) Wrap-Fee Programs and (5) Retirement Services. We describe these services in more detail below.

Generally, prior to opening an advisory account with us, your Advisor will meet with you regarding your investment experience, investment objectives, risk tolerance and general financial condition in order to create an investment profile for you. These investment profiles help your Advisor determine appropriate investment products and services for you. You will enter into an agreement with our firm setting forth terms and conditions of the advisory services relationship, including fees to be charged and authorization for the Advisor to purchase and sell securities pursuant to the investment objectives you choose. Securities that your Advisor may recommend, purchase or sell include mutual funds, variable insurance products and investments in their sub-accounts, exchange traded funds, equities (stocks), and/or fixed income securities (bonds). You will also enter into separate custodial/clearing agreements with the applicable custodian for your account. We typically clear transactions with National Financial Services, LLC (NFS); however, we sometimes may designate alternative clearing and custody arrangements similar to those we have with NFS. We may also, in our discretion, accommodate your desire to use an alternative custodian. Your funds and securities are held in custody at NFS or various other clearing and custodial companies and not by our firm. You will also receive a copy of our Privacy Policy with our standard welcome letter.

ADVISOR MANAGED ACCOUNTS

With an Advisor Managed Account, your Advisor will assist you to develop a personalized asset allocation program and custom-tailored portfolio designed to meet your investment objectives. The recommended portfolio may include investments such as mutual fund shares, exchange traded funds, variable annuities, stocks, bonds, direct participation programs or a combination thereof.

If you are interested in an Advisor Managed Account, your Advisor will obtain the necessary financial data from you, assist you in determining the suitability for the Advisor Managed Account and help you set appropriate investment objectives. You will open your Advisor Managed Account with us by signing a written agreement that authorizes us and your Advisor to purchase and sell securities in accordance with your investment objectives.

Your Advisor Managed Account will typically consist of a percentage of securities from various asset classes. The percentage weightings within the asset classes will be based on your risk profile, investment

objectives, individual preferences and availability. You will have the opportunity to meet with your Advisor to periodically review the assets in your Advisor Managed Account.

You will at all times maintain full and complete ownership rights to all assets held in your Advisor Managed Account. This means you retain the right to add or withdraw securities or cash, pledge securities, vote securities and/or receive timely confirmations. We will not pool your Advisor Managed Account assets with other accounts.

We typically clear transactions in Advisor Managed Accounts with NFS, but may also use other custodians such as Pershing, LLC, Charles Schwab & Co., TD Ameritrade or other alternative clearing and custody arrangements at our discretion. Your funds and securities are held in custody at NFS, or various other clearing and custodial firms, and not by us or your Advisor.

Advisory Platforms and Advisory Programs

Through our relationships with NFS and other custodial and clearing firms, we make available platforms (Advisory Platforms) to assist our Advisors to provide you an Advisor Managed Account. Examples of our Advisory Platforms are the Advisor Enterprise Platform, IndeSuite Platform and Horizon Platform described in more detail below. Through the Platforms, our Advisors render investment advice to you combined with portfolio administration and reporting services, advisory fee processing and account reconciliation. We review and approve the products and services in these Advisory Platforms.

We also make available certain advisory programs offered through third party co-advisors (Advisory Programs) to assist our Advisors to provide you an Advisor Managed Account. Examples of our Advisory Programs are the SEI Program and Genworth Program described below. We review and approve the co-advisors, products and services in these Advisory Programs.

We may enter, or previously have entered, into advisory relationships, programs and platforms offered through third-party investment advisers either as legacy offerings for our firm or as an accommodation to an Advisor that joins our company. These relationships are usually limited to certain Advisors and their existing clients. Details and descriptions of these programs have been or will be given to you by us, your Advisor and/or the Advisor's prior firm.

Advisory Platforms

Advisor Enterprise Platform

Our relationship with Envestnet Asset Management, Inc. (Envestnet) allows our Advisors to provide you an Advisor Managed Account by using tools, resources and technology provided by Envestnet as part of the Advisor Enterprise platform. Such tools, resources and technology include the ability to produce detailed proposals, creating investment models, allocating assets, monitoring your specifications on an account, aggregating trades, and rebalancing an account. In providing you an Advisor Enterprise Advisor Managed Account, your Advisor may invest your assets in individual equity or fixed income securities as well as pooled investment vehicles such as mutual funds or hedge funds available through the Advisor Enterprise platform. Generally, the Advisor Enterprise Platform requires a minimum account level of \$50,000 for new accounts although we may waive the account minimum from time to time at our discretion for related accounts.

Prior to opening an Advisor Enterprise Advisor Managed Account with us, your Advisor will typically gather information or meet with you to create an investment profile for you and will discuss, among other things, your investment experience, investment objectives, risk tolerance and general financial condition.

These investment profiles help your Advisor recommend appropriate investment products and services to you. You will enter into an agreement with us setting forth terms and conditions of the advisory services relationship, including fees to be charged and authorization for your Advisor to buy and sell securities in accordance with your investment objectives. You are encouraged to contact your Advisor should you have questions about the management of your Advisor Enterprise Advisor Managed Account

IndeSuite Platform

Our relationship with NFP IndeSuite, Inc. (IndeSuite), an affiliated company, allows certain qualifying Advisors to provide you an Advisor Managed Account by using tools, resources and technology provided by IndeSuite as part of the IndeSuite platform. Such tools, resources and technology include the ability to produce detailed proposals, creating investment models, allocating assets, monitoring your specifications on an account, aggregating trades, and rebalancing an account. In providing you an IndeSuite Advisor Managed Account, your Advisor may invest in individual equity or fixed income securities as well as pooled investment vehicles such as mutual funds or hedge funds available through the IndeSuite platform. Generally, the IndeSuite Platform requires a minimum account level of \$50,000 for new accounts although we may waive the account minimum from time to time at our discretion for related accounts.

Prior to opening an IndeSuite Managed Account with us, your Advisor will typically gather information or meet with you regarding, among other things, your investment experience, investment objectives, risk tolerance and general financial condition in order to create an investment profile for you. These investment profiles help the Advisor recommend appropriate investment products and services to you. You will enter into an agreement with us setting forth terms and conditions of the advisory services relationship, including fees to be charged and authorization for the Advisor to buy and sell securities in accordance with your investment objectives. You are encouraged to contact your Advisor should you have questions about the management of your IndeSuite Managed Account.

Horizon Platform

Through our relationship with NFS, our Advisors may invest in individual equity or fixed income securities as well as pooled investment vehicles such as mutual funds for your Advisor Managed Account. Generally, the Horizon Platform requires a minimum account level of \$50,000 for new accounts although we may waive the account minimum from time to time at our discretion for related accounts.

Prior to opening a Horizon Advisor Managed Account with us, your Advisor will typically gather information or meet with you regarding, among other things, your investment experience, investment objectives, risk tolerance and general financial condition in order to create an investment profile for you. These investment profiles help the Advisor recommend appropriate investment products and services available to you. You will enter into an agreement with us setting forth terms and conditions of the advisory services relationship, including fees to be charged and authorization for the Advisor to purchase and sell securities pursuant your investment objectives.

Advisory Programs

Our Advisors may delegate investment advisory responsibilities or discretionary authority to a third-party through our Advisory Programs. You will typically enter into an agreement directly with that third party which will outline, among other things, fees and the trading of your account by such third party. Depending on the Advisory Program, you may either pay us directly or pay one fee to the third-party, who will then remit a portion of the fee to us. You will typically receive a copy of both the third-party manager's brochure as well as this document if we and the third-party are acting as co-investment advisers.

SEI Program

We have entered into a co-advisory relationship with SEI Investments Management Corporation (SEI). In conjunction with SEI, we provide portfolio management services, selection of other advisors, mutual fund wrap services, access to separate account managers and alternative investments. SEI is both an investment adviser and broker-dealer. From the services and products SEI provides, our Advisor can customize the asset allocation and level of diversification, and determine the preferred investment vehicle or structure to create your Advisor Managed Account. There is generally a \$250,000 minimum investment for an Advisory Managed Account in the SEI Program, although we or SEI, may waive the account minimum from time to time at our discretion.

Prior to opening an account with SEI, our Advisor will gather information through the use of SEI-developed questionnaires, software and other materials or a personal interview. Your Advisor will also assist you in completing all necessary paperwork including an agreement between you and SEI which grants SEI discretionary trading authority in your account. Your Advisor will also assist you in choosing among available mutual funds that are managed by independent, institutional investment firms. SEI has created asset allocation programs using mutual funds invested in stocks, bonds and cash to meet varying client objectives and needs for growth, income and capital preservation. Our Advisors will rely on the model investment portfolio designations, allocations recommendations provided by SEI and your instructions for your Advisor Managed Account. SEI incorporates a formal rebalancing program designed to control risk on non-taxable accounts. You may impose conditions in your investment guidelines or in written instructions to us that limit the discretionary authority implemented through the rebalancing program. Your Advisor may choose to incorporate the formal rebalancing program on taxable accounts and any account may be rebalanced by your Advisor at any time should you choose to change your investment strategy. In a select few instances, certain Advisors may qualify for SEI's Enhanced Advisory Services. In these instances, your account will be managed as generally described under the Introduction and Advisor Managed Account sections above.

SEI Private Trust Company acts as a custodian of all assets in the SEI Program, including your Advisor Managed Account. You will enter into a separate custodial agreement with the SEI Private Trust Company, an affiliate of SEI. SEI will execute transactions for your Advisor Managed Account pursuant to your agreement with them.

Our Advisor will conduct periodic reviews of your Advisor Managed Account in the SEI Program and monitor performance of the account in relation to your investment objectives. You and your Advisor may meet on a regular basis to review your financial situation, investment objectives and current holdings. In addition, your Advisor will consult with you concerning your Advisor Managed Account in the SEI Program upon your reasonable request.

Genworth Program

We have entered into a co-advisory relationship with Genworth Investment Services, Inc. (Genworth). In conjunction with Genworth, we provide mutual funds and variable annuities (Mutual Fund Solutions), access to individual managers (Private Managed Account Solutions) and asset allocation, trading and account management services to help our Advisor with your Advisor Managed Account. Genworth has contracted with several third-party strategists (Strategists) to help develop model portfolios (Models) for the Mutual Fund Solutions and for the Managed Account Solutions.

Prior to opening an account with Genworth, your Advisor will gather information through the use of Genworth developed questionnaires, a personal interview and/or software and other materials. Your Advisor will also assist you in completing all necessary paperwork including an agreement between you,

us and Genworth. Our Advisor will also assist you in choosing Mutual Fund Solutions, Private Managed Account Solutions, or Models for your Advisor Managed Account.

For Mutual Fund Solutions, your Advisor may execute transactions for your Advisor Managed Account using the tools provided by Genworth. Transactions in Private Managed Accounts will be executed by the individual managers engaged by Genworth. Genworth and the Strategists provide rebalancing guidelines for the Models to control risk in your Advisor Managed Account. If your Advisor has implemented the Model for your Advisor Managed Account, Genworth can rebalance your account automatically pursuant to the authority in your agreement with them.

There is generally a \$50,000 minimum investment for a Mutual Fund Solution Advisory Managed Account in the Genworth Program, though we or Genworth may waive the account minimum from time to time at our discretion.. There is generally a \$250,000 minimum investment for a Private Managed Account Solution Advisory Managed Account in the Genworth Program with a single investment manager, and a \$2,000,000 minimum investment for Private Managed Account Solution with multiple investment managers, though we or Genworth may waive the account minimum from time to time at our discretion.

Your Advisor Managed Account generally will be held in custody at one of the following firms: Fiserv, Charles Schwab & Co., Pershing, Fidelity or American Skandia. You will enter into a separate custodial agreement with the appropriate custodian. Your Advisor conducts periodic reviews of your Advisor Managed Account through the Genworth Program and monitors performance of the account in relation to your investment objectives. You and your Advisor may meet on a regular basis to review your financial situation, investment objectives and current holdings. In addition, your Advisor will consult with you concerning your Advisor Managed Account in the Genworth Program upon your reasonable request.

THIRD-PARTY REFERRALS

We have entered into agreements with various third-party investment advisers that participate in, manage or sponsor different types of money management services and investment advisory programs. Depending on our relationship with the third-party, our Advisors may solicit clients for such third parties, in which case we will not provide investment advice or have discretionary authority over your assets. These solicitation arrangements are typically structured in accordance with the cash solicitation rule 206(4)-3 under the Advisers Act where, among other things, we must disclose to you the compensation our Advisor will receive for referring you to a third party adviser.

Depending on the nature of the arrangement, you may not enter into an agreement directly with us and will not receive this brochure in connection with that arrangement. Generally, you establish a direct relationship with the third party adviser we referred you to and we will receive a solicitation fee from the adviser based on a percentage of the advisory fee they charge you. You should read the third party adviser's brochure and any compensation disclosure statements provided in connection with these solicitation arrangements for information regarding the services of the third party adviser and applicable fees and charges.

FINANCIAL PLANNING& FINANCIAL CONSULTING

Our Advisors may perform financial planning, business consulting, estate planning, educational consulting and other similar securities investment consulting services for you. Our Advisors may also prepare a written financial plan for you. In performing financial planning or consulting services, the Advisor typically examines and analyzes your overall financial situation such as your tax status, insurance needs, overall debt, business ventures, retirement savings and current investments. An Advisor's services

may also focus on only one or several of these areas depending on your specific engagement. You will enter into an agreement with us setting forth the services our Advisor will provide and other terms and conditions of the relationship, such as fees for our services. You are under no obligation to accept any of the recommendations from an Advisor's financial planning or consulting services and you retain discretion and responsibility for implementing the recommendations.

WRAP FEE PROGRAMS

Advisor Enterprise

Through our relationship with Envestnet, we sponsor a privately labeled wrap-fee program. The fees you pay in this program generally cover costs related to security transactions as well as fees payable to us, our Advisor, the custodian and any third-party as appropriate. Please see our Wrap Fee Program Brochure for details and a corresponding fee schedule regarding this wrap-fee program.

IndeSuite

Through our relationship with our affiliate IndeSuite, we make available a wrap-fee program to certain qualifying Advisors. The fees you pay in this program generally cover the costs of security transactions as well as fees payable to us, our Advisor, the custodian and any third-party as appropriate. Please see IndeSuite's Wrap Fee Program Brochure for details about this wrap-fee program.

RETIREMENT SERVICES

Our Advisors also provide services to retirement accounts of clients such as individual retirement accounts (IRAs) and retirement plans (Plans). Our services to IRA clients include those described above. Please see our separate Retirement Plan Brochure which describes the services we provide to Plan clients. In general though, we typically provide services such as vendor searches and benchmarking, plan design analysis, investment policy review, financial consulting. Our Advisors may also regularly monitor performance, risk and expenses related to Plan investments and provide ongoing support to help Plan clients meet their fiduciary obligations. We and our Advisor acknowledge that in providing investment advice to Plan clients we act in a fiduciary capacity to the extent applicable under ERISA. Neither we nor your Advisor will be responsible for obtaining, or paying the premiums on any bond required pursuant to ERISA. Our company and Advisors have no authority and are not required to vote proxies for securities comprising assets of Plan clients. You will enter into an agreement with us and our Advisor setting forth terms and conditions of the relationship, which will include fees to be charged

OTHER INFORMATION ABOUT OUR ADVISORY SERVICES

In some instances, we and our Advisors may independently consider a security a client is trying to sell appropriate for another one of our clients to purchase. We, and our Advisors, advise numerous clients with similar or identical investment objectives or may advise clients with different objectives that may trade in the same securities. Despite such similarities, portfolio recommendations relating to your investments and the performance resulting from such recommendations will differ from client to client. We will not necessarily recommend, purchase or sell the same securities at the same time or in the same amounts for all eligible clients. In some cases, such as the recommendations of private placements or oversubscribed public offerings, due to the availability of, or qualifications necessary to buy, the investment, it may not be possible or feasible for you to buy a certain security. Therefore, you will not necessarily be able to participate in the same investment opportunities or participate on the same basis with our other clients. To the extent our Advisors have investment discretion over a your account, it is our policy that the Advisor allocate, to the extent practicable, investment opportunities on a basis that the Advisor in good faith believes is fair and equitable to each client over time.

You should promptly notify us if there is ever any change in your financial situation or investment objectives since it make cause us to review, evaluate, or revise our previous recommendations and services to you.

As of December 31, 2011, we managed approximately \$8,000,000,000 in assets for approximately 40,700 clients. Approximately \$4,000,000,000 is managed on a discretionary basis, and approximately \$4,000,000,000 is managed on a non-discretionary basis.

Fees and Compensation

GENERAL INFORMATION ON OUR FEES

Our asset-based fees range from 0.05% to 2.50% and are determined by your Advisor based upon a variety of factors such as the value of your assets under management, your account registration type (e.g., retirement), the nature of services we provide to you, the platform(s) and the program(s) you or your Advisor choose and the current market and pricing for similar services. Our asset-based fees are negotiable, subject to the maximum amount noted above.

You pay an asset-based fee typically on a quarterly basis in advance, meaning we invoice and charge you before the end of three-month billing period. We typically base our fees on the fair market value of your assets on the last business day of the preceding quarter. All fees are negotiable, subject to the maximum amount set forth above. We may waive or charge a lesser fee from time to time or may charge a flat fee for our services. The advisory fees we charge may be higher or lower than those charged by other advisers for comparable services. The fees that we charge to manage assets in your account may be more than the amount you would pay us to buy or sell securities on a commission basis in a non-managed account.

FEES FOR ADVISOR MANAGED ACCOUNTS

Our fees for Advisor Managed Accounts range from 0.05% to 2.50% and are determined by your Advisor based upon a variety of factors such as the value of your assets under management, the nature of services we provide to you and whether you are using any third-party platform or program. The advisory fees we charge to your Advisor Managed Account may be more than the amount you would pay us to buy or sell securities separately on a commission basis in a non-managed account and may exceed the advisory fees charged by other investment advisers for similar services.

Your Advisor Managed Account may also be assessed any and all transaction or ticket charges (known as Transaction Charges) related to activity in your account. We will charge Transaction Charges in accordance with our current transaction fee schedule. We provide you a copy of this schedule when you open your Advisor Managed Account or include it with the agreement you sign for your Advisor Managed Account. We will provide this schedule to you at any time upon your request. Transaction Charges are negotiable and we may waive them at any time in our or our Advisor's discretion. We typically do not charge you any commissions for transactions in mutual funds. Certain mutual funds charge various service fees or 12b-1 distribution fees, and we may receive all or a portion of such fees. You should refer to the prospectus of the mutual fund for information about the service or 12b-1 fees charged by the fund.

Fees for Advisory Platforms

Advisor Enterprise Platform

Our annual advisory fee for Advisor Enterprise Advisor Managed Accounts ranges from 0.23% to 2.50%, and is based upon a variety of factors such as, but not limited to, account size, account type (e.g., retirement) and types of investments in your account. All fees are negotiable, subject to the maximum amount set forth above. Regardless of what our Advisor may charge you as an advisory fee, your Advisor Enterprise Advisor Managed Account is still subject to a minimum platform fee of 0.23%. Asset-based fees are typically paid quarterly in advance based upon the fair market value of your assets on the last business day of the preceding quarter. We may waive or charge clients a lesser fee from time to time. Your Advisor Enterprise Advisor Managed Account will also be assessed Transaction Charges related to activity in the account. Generally, the Advisor Enterprise Platform requires a minimum account level of \$50,000 for new accounts, although we may waive the account minimum from time to time at our discretion.

Your Advisor receives compensation as a result of your participation in the Advisor Enterprise platform. The amount of this compensation may be more than what your Advisor would receive if you participated in our other platforms or programs or separately paid for investment advice, brokerage, and other services. Your Advisor may therefore have a financial incentive to recommend this platform over other programs or services we offer. In addition, our Advisors may receive additional financial benefits as a result of reduced platform pricing on the Advisor Enterprise Platform based upon the volume of assets that Advisor manages on the IndeSuite and Advisor Enterprise Platform. This additional financial benefit may not be shared with you, which could create a conflict of interest and incentive for an Advisor to utilize the Advisor Enterprise Platform.

IndeSuite Platform

The IndeSuite Platform is not available to all our Advisors but only to those that qualify based upon the volume of assets on that platform. Our annual advisory fee for IndeSuite Advisor Managed Accounts ranges from 0.25% to 2.50%, and is based upon a variety of factors such as, but not limited to, account size, account type (e.g., retirement) and types of investments in your account. All fees are negotiable, subject to the maximum amount set forth above. Regardless of what our Advisor may charge you as an advisory fee, your IndeSuite Advisor Managed Account is still subject to a minimum platform fee of 0.25%. Asset-based fees are typically paid quarterly in advance based upon the fair market value of your assets on the last business day of the preceding quarter. We may waive or charge clients a lesser fee from time to time. Your IndeSuite Advisor Managed Account will also be assessed Transaction Charges related to activity in the account. Generally, the IndeSuite Platform requires a minimum account level of \$50,000 for new accounts, although we may waive the account minimum from time to time at our discretion.

Your Advisor receives compensation as a result of your participation in the IndeSuite platform. The amount of this compensation may be more than what your Advisor would receive if you participated in our other platforms or programs or separately paid for investment advice, brokerage, and other services. Your Advisor may therefore have a financial incentive to recommend this platform over other programs or services we offer. In addition, our Advisors may receive additional financial benefits as a result of reduced platform pricing on the IndeSuite Platform based upon the volume of assets that Advisor manages on the IndeSuite and Advisor Enterprise Platform. This additional financial benefit may not be shared with you, which could create a conflict of interest and incentive for an Advisor to utilize the Advisor Enterprise Platform.

Horizon Platform

Our annual advisory fee for Horizon Advisor Managed Accounts ranges from 0.05% to 2.50%. Regardless of what our Advisor may charge you as an advisory fee, your Horizon Advisor Managed Account will still be subject to a minimum platform fee of 0.05%. Asset-based fees for a Horizon Advisor Managed Account are typically paid quarterly in advance based upon the average daily balance of your assets over the preceding quarter. Your Horizon Advisor Managed Account will also be assessed Transaction Charges related to activity in the account as well as performance reporting fees. Your Advisor receives compensation as a result of your participation in the platform. The amount of this compensation may be more than what your Advisor would receive if you participated in our other programs or separately paid for investment advice, brokerage, and other services. Your Advisor may therefore have a financial incentive to recommend this platform over other programs or services we offer.

Fees for Advisory Programs

SEI Program

You will pay an annualized fee for the SEI Program which ranges from 0.20% to 2.50%. Our Advisor can negotiate the fee with you and SEI based upon a variety of factors, such as account size, account type (e.g., retirement) and types of investments within your account. The SEI Trust Company is responsible for providing you statements, at least quarterly, showing all the assets and activity in your Advisory Managed Account with the SEI Program. These statements include any transactions and fees charged for the quarter. SEI Trust Company deducts fees your account in accordance with your agreement with SEI and requirements of applicable law.

Genworth Program

You will pay the fees in connection with an Advisor Managed Account with the Genworth Program based upon the solution you and your Advisor choose as referenced below. The fees are dependent on factors such account size and where you custody your account and are negotiable based upon a variety of factors such as, but not limited to, account size, account type (e.g., retirement) and types of investments in your account.

<u>Solution</u>	<u>Minimum</u>	<u>Maximum</u>
Mutual Fund Solutions	0.20 %	2.50%
Managed Account Solutions:	0.25 %	2.50%.

Genworth is responsible for providing you statements, at least quarterly, showing all the assets and activity in your Advisory Managed Account with the Genworth Program. These statements will include any transactions and fees charged for the quarter. Your Advisor will deliver these statements to you. Your applicable custodian will deduct fees from your account in accordance with your agreement with Genworth, your custodial agreement and requirements of applicable law.

With respect to Genworth Program, some of our Advisors are entitled to receive a quarterly reimbursement from Genworth pursuant to their Gold Premier Consultant program for qualified marketing and/or business development expenses incurred by our Advisor. The amount of such reimbursement is based on the total assets invested at the end of each calendar quarter in the Genworth Program, typically as follows:

<u>Asset Level</u>	<u>Quarterly Reimbursement</u>
\$ 25 mm	\$ 1,250
\$ 35 mm	\$ 1,750
\$ 50 mm	\$ 2,500

\$ 75 mm	\$ 3,750
\$ 100 mm	\$ 5,000

This additional financial benefit may not be shared with you and could create a conflict of interest and incentive for an Advisor to utilize the Genworth Program.

FEES FOR FINANCIAL PLANNING& FINANCIAL CONSULTING

Our Advisors charge fees for financial planning and financial consulting on an hourly basis, which generally ranges up to \$500 per hour, on a retainer basis or a negotiated flat fee basis. Hourly fees may be higher depending on your specific circumstances. In our capacity as a broker-dealer, we and our Advisor may also receive compensation from the sale of a certain security or investment products recommended. You may purchase any recommended security or investment product from a broker-dealer that is not affiliated with us or our Advisor. In other engagements, the compensation received may be based upon a combination of such commissions and advisory fees. We make available third parties for our Advisors to utilize in providing you the services described above and such third parties may compensate us for training, marketing efforts, staffing and ongoing education of Advisors related to such third parties.

OTHER INFORMATION ON FEES AND COMPENSATION

You may pay advisory fees to us by check, wire, or by authorizing the deduction of fees from an account with us. If you authorize us to deduct fees from your account, you are responsible for fees, charges and other costs associated with the fee deduction as well any tax impact associated with the deduction. When fees are deducted from accounts, the Advisor or account custodian will send you information reflecting the amount of fees deducted and the asset value upon which the fee is calculated. You will receive a statement at least quarterly from your account custodian showing all amounts disbursed from your account, including the advisory fees paid to us. In the event that we bill you directly for our fees, payment is due upon receipt of our invoice.

Our Advisors may offer a wide variety of securities products and services since we are a broker-dealer, investment adviser and insurance agency. As a general matter, Advisors are free to choose the products and services they make available to clients subject to applicable rules of suitability, appropriate licensing, and our policies and procedures. Some Advisors may not consider or be able to offer all of the products and services available through our company. In addition, the commissions, fees and other forms of compensation paid in connection with the purchase or sale of products and services vary. Accordingly, Advisors may have a conflict of interest to the extent they recommend products or services that pay more compensation than other similar products or services available through us. Our Advisors may also provide advice on corporate or health benefits for clients and receive fees in addition to advisory fees, as allowed by applicable law.

Although we are an insurance agency, we typically do not sell fixed or general account life insurance products or annuities other than certain equity index annuities. Some of our Advisors, in their individual capacities as insurance agents may recommend you purchase fixed or general account insurance products or annuities on a commission basis. As a general matter, we do not oversee and are not responsible for these insurance sales.

We may recommend various third-party investment vehicles that are subject to initial and ongoing expenses and fees, such as sales loads, servicing fees and management fees. Examples of these collective investments and financial products are mutual funds, variable insurance products, real estate investment trusts (known as REITs) partnerships that invest in securities or other partnerships and hedge funds. The

initial and ongoing expenses and fees of these investment vehicles are disclosed in the applicable offering document of the investment and are payable by you in addition to any fee we and our Advisors charge. If you purchased investments through another firm and transfer them to an account with us, you may likewise pay ongoing fees and expenses to the investment product sponsor, or its affiliates, in addition to the fees we charge. For example, if you purchase mutual funds through another company and subsequently transfer those mutual funds to an advisory account with us, you will typically pay ongoing fees and expenses to the mutual fund company in addition to the fees we charge.

Subject to the capabilities of the account custodian, you may direct certain investments to be held within your account that are not to be included in the management of your portfolio. If you identify such assets in advance, we will not manage those assets or include them for purposes of calculating your advisory fee; however, you still may be subject to applicable platform or program fees on such assets. In addition, we may choose not to manage or charge advisory fees on assets held in an advisory account that we determine are not suitable for management by NFPSI based on the nature or liquidity of the asset.

Performance-Based Fees and Compensation

We and our Advisors do not charge performance based fees.

Types of Clients

Our clients include individuals, pension and profit sharing plans, corporations and other business organizations, trusts, estates and charitable organizations. We generally require a minimum account level of \$50,000 for new accounts although we may waive the account minimum from time to time at our discretion. Certain Advisory Platforms and Advisory Programs have minimum account sizes as described above under the Advisory Business section. We also provide investment advice and services to Retirement Plans which we describe in our Retirement Plan Client Brochure.

Methods of Analysis, Investment Strategies and Risk of Loss

We analyze investment programs and products of third-party managers by reviewing the background of persons associated with the manager, the manager's investment process, investment philosophy, methodology used within the program, and disclosure documents related to the program. Advisors may at times perform their own research on various securities and or programs through third-party resources available to the public and such analysis methods may include charting, fundamental analysis, technical analysis, and cyclical analysis. Sources of information we and our Advisors use include financial newspapers and magazines, inspections of corporate activities, research materials prepared by others, corporate rating services, timing services, annual reports, prospectuses, filings with the Securities and Exchange Commission, and company press releases.

While we do not have a firm-wide investment strategy, many of our Advisors recommend various forms of strategic asset allocation. An investment strategy is based upon objectives you define in consultation with your Advisor. You may change these objectives at any time. Other strategies an Advisor may use

include long-term buy and hold, short-term purchases, trading, short sales, margin transactions, and option writing (including covered options, uncovered options or spreading strategies).

Any investment or investment strategy involves some risk of loss you should be prepared to bear. Examples of risk you could face are:

- *Interest-rate Risk:* Fluctuations in interest rates may cause investment values to fluctuate. For example, market values of bonds typically decline when interest rates rise because the rising rate makes the existing bond yields less attractive.
- *Market Risk:* External factors independent of a security's particular underlying circumstances may impact its value. The value of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions such as a political or social event or an economic condition.
- *Inflation Risk:* Inflation means a dollar today may buy more than a dollar next year. When inflation is present your purchasing power typically decreases 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. Also known as exchange rate risk, these risks may be present in international mutual funds for example. We typically do not recommend purchases of overseas investments.
- *Reinvestment Risk:* The risk that future proceeds from investments may be reinvested at a potentially lower rate of return is reinvestment risk. This risk primarily relates to fixed income securities.
- *Business Risk:* Risks associated with a particular industry or a specific company may impact the value of investments. For example, oil-drilling companies typically have more business risk than electric companies since they depend on finding oil and then refining it efficiently before they may generate a profit. An electric company generates steady income from customers who buy electricity no matter what the economic environment is like.
- *Liquidity Risk:* Liquidity means the ability to readily convert an investment into cash. Assets with many purchasers are generally more liquid. For example, Treasury Bills are highly liquid, while real estate properties are less so.
- *Financial Risk:* A company with excessive borrowing or that takes significant business risks to generate profit is typically at a greater risk of financial difficulty or failure.

Disciplinary History

We have no legal or disciplinary events relating to our firm's advisory services. In our capacity as a broker-dealer, we periodically have been subject to administrative sanctions by state and self-regulatory agencies. We have publically disclosed these events in more detail on our broker-dealer Form BD and the Investment Adviser Public Disclosure system. A summary of the events is provided below for your reference.

Pursuant to an arbitration award on November 30, 2011, we paid \$1,308,752.45 to a client for alleged damages in connection with the client's 2006 purchase of insurance and a separate investment opportunity. In addition, the client alleged failure of the Advisor to rebalance the client's investment portfolio in 2006.

On April 6, 2011, we agreed to pay FINRA, our broker dealer regulator, \$50,000 for allegedly allowing misleading advertising and sales literature to be used with customers.

On July 15, 2009, we agreed to pay FINRA, our broker-dealer regulator, \$7,500 for failing to timely report all necessary information regarding the purchase and sale of municipal securities in accordance with the systems and manner required by FINRA.

On October 5, 2007, we agreed to pay FINRA, our broker-dealer regulator, \$12,000 for failing to timely file termination notices of registered representatives and other reports regarding certain events related to our broker-dealer activities.

On July 14, 2006, we agreed to pay FINRA, our broker-dealer regulator, \$7,500 for failing to keep evidence and records of checks received in our blotter in accordance with SEC and FINRA rules.

On March 22, 2004, we agreed to pay NASD (predecessor to FINRA), \$25,000 for allegedly allowing misleading advertising and sales literature to be used with customers.

On April 27, 2000, we paid the State of Florida Division of Securities \$10,000 for failing to timely register a branch location in the state of Florida.

Other Financial Industry Activities or Affiliations

We estimate that our broker-dealer services comprise approximately 60% of our business. As a broker-dealer, we introduce accounts on a fully disclosed basis to NFS or other custodian/clearing firms we or you engage from time to time. We or your Advisor may receive compensation, in addition to the advisory fees you pay, when portfolio transactions are effected on behalf of investment advisory clients through our broker-dealer. We may receive compensation as a result of acting in one or both capacities. We and your Advisor may receive securities commissions or fees from third parties if you purchase investment products through us. The potential for such payments may create a conflict of interest to the extent we recommend products for which we receive additional compensation.

We are owned by National Financial Partners Corp. (NFP), which owns other investment advisers, broker-dealers, insurance agencies and other product and service providers (NFP Affiliates). From time to time, we may recommend that you purchase or sell products and services of or through NFP Affiliates and these NFP Affiliates, as well as our firm, may receive compensation as a result. Such a recommendation may be deemed to create a conflict of interest since it could result in increased compensation to an NFP Affiliate, our firm and your Advisor. By way of example, we are affiliated with various insurance agencies and brokers through which you may purchase or sell insurance. Advisors may also be licensed insurance agents or assist you to buy or sell your insurance policy. Your Advisor may recommend that you purchase or sell insurance through an affiliated insurance agency or broker and that affiliate would receive compensation in connection with the transaction. Whether or not the services of an affiliate are utilized, your Advisor may receive compensation from your purchase or sale of insurance in addition to any advisory fees you pay him or her. Our affiliation with such insurance agencies and brokers, and the additional compensation an Advisor may receive irrespective of our affiliation, creates a conflict of interest to the extent our affiliates or Advisors receive compensation in addition to the advisory fees you pay us.

As a general matter, we do not oversee and are not responsible for overseeing the sale of fixed or general account insurance products or annuities sold a commission basis by an Advisor in their individual agent capacity. The recommendation to purchase a commission product presents a conflict of interest since the receipt of commissions may provide an incentive to recommend you insurance products based on

commissions to be received, rather than your particular needs. You are under no obligation to purchase any commission products from our Advisors.

Also, as a broker-dealer, our registered representatives, some of whom are Advisors, have the ability to offer various investment products to advisory clients. Such products include hedge funds, limited partnerships and privately offered securities. Generally, you must meet certain financial, experience or risk tolerance requirements before you may invest in such products through us. In some instances, the general partner of partnerships offered through us may be an NFP Affiliate. The partnerships of these NFP Affiliates may invest in securities or interests of other partnerships and are typically structured as fund of funds investments. We disclose NFP Affiliates that are investment advisers in Part I of our Form ADV, which is publicly available on the Securities and Exchange Commission website (www.sec.gov). Additional information about the applicable NFP Affiliate investment adviser may be found in their brochure.

Additional examples of our relationship with other NFP companies includes our ability to recommend the products or services of our affiliate, DiMeo Schneider & Associates, LLC (DiMeo Schneider), and the insurance services available through NFP Insurance Services, Inc. (NFPISI). We make available to Advisors through the IndeSuite and Advisor Enterprise platforms the money management services of DiMeo Schneider. We also engage DiMeo Schneider to perform due diligence on certain investment products. The recommendation and use of DiMeo Schneider may create a conflict of interest since our affiliate could receive increased compensation. NFPISI is an insurance brokerage through which our Advisors may sell insurance products. Advisors recommending that you purchase insurance may utilize the services of NFPISI and we and your Advisor may directly or indirectly receive compensation in addition to advisory fees you pay. The use of NFPISI to purchase insurance creates a conflict of interest since we, your Advisor and our affiliate may receive compensation in addition to advisory fees you pay. Advisors may provide insurance products and services unrelated to our services through an NFP Affiliate. Our Advisors' use of an NFP Affiliate's products or services may create conflicts of interest to the extent we, our Advisor or an NFP Affiliate directly or indirectly receive additional compensation as a result of recommending or selling products or services of or through the NFP Affiliate.

Some of our registered representatives and Advisors are registered with or affiliated with an investment adviser other than our firm. You should read the brochure and any other materials provided by these other investment advisers for information regarding their services and fees if you engage them to provide you advisory services.

Some of our Advisors may participate in incentive trips and receive other forms of non-cash compensation based on the amount of their sales through NFPSI, affiliated marketing groups or non-affiliated marketing groups or product manufacturers. To the extent your Advisor participates in an incentive trip or receives other forms of non-cash compensation, a conflict of interest exists in connection with the Advisor's recommendation of products and services for which they receive these additional economic benefits.

Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

We maintain a written code of ethics in accordance with the Advisers Act that is intended to create an ethical culture for our firm. Our code of ethics requires our personnel and Advisors to treat sensitive information confidentially, not misuse material non-public information about client transactions, report

violations of the code and comply with federal securities laws. The code of ethics also requires certain personnel and Advisors to report their personal securities holdings. We will provide a copy of our code of ethics upon request.

Our 401(k) plan, or other retirement plan accounts that our Advisors may have an interest in, could invest in funds and investments which you may also invest in or that we recommended you to buy or sell. Our personnel and Advisors may invest for their own account in interests in investment partnerships, venture capital vehicles, and hedge funds and other commingled products or individual investment accounts managed by other advisers we have recommended to you as well. These entities and managers may also separately buy or sell investments that you buy or sell for your own account or that we have recommended to you. Generally, our Advisors and personnel have no ability to influence or control these entities' transactions in securities. If such influence or control did exist, our personnel and Advisors would be subject to policies on employee trading described in our code of ethics and compliance manual to address this conflict of interest. Our parent company, National Financial Partners Corp. (NFP), is publicly traded and our personnel and Advisors may have an interest in shares of NFP. You may have also have purchased or sold securities of NFP or could buy or sell NFP securities in the future and we and our Advisors may recommend you purchase or sell NFP. To address these potential conflicts of interest, in no event will we recommend or cause you to enter into transactions for the purpose of benefiting the direct or indirect securities holdings of our affiliates or personnel.

Our employees and Advisors may invest for their own accounts in securities which may also be recommended, purchased or sold for you as our advisory client. Our code of ethics requires Advisors to place the interests of clients before their own interests. Our compliance department reviews personnel and Advisor trades each quarter in an effort to ensure that their personal trading does not impact trades for clients and that our clients receive preferential treatment. Personal trades which consist of mutual funds or exchange traded-funds will typically not have an impact on client trading or impact securities markets.

Brokerage Practices

Our Advisors will oversee and direct the investments of your accounts subject to any limitations you may impose on us in writing. We have an obligation to seek to obtain best execution for transactions in your account. To the extent you have imposed a limitation on brokerage selection, or have directed us or the Advisor to utilize a certain broker-dealer, we will not have the ability to negotiate commissions among various brokers or to obtain volume discounts. We also may not achieve best execution and you may pay higher commissions, transaction cost, and receive less favorable net prices than other clients as a result.

As a broker-dealer, we may execute transactions for you as an advisory client. We may receive compensation as a result of acting as an investment advisor, a broker dealer or both. We or your Advisor may receive compensation, in addition to the advisory fees charged to your account, when we execute portfolio transactions for you. We conduct these transactions in accordance with applicable rules and regulations and in a manner designed to treat you and other clients fairly and equitably over time. Our policies and procedures require us to provide appropriate disclosures to you such as compensation received by us and or our registered representatives for these transactions. Such transactions may include our acting as a selling agent on a best efforts basis for new issues of fixed income securities that you have purchased in your account. In this regard, we may rely upon our relationship with a third party broker-dealer named Advisors Asset Management, Inc. (AAM) to complete transactions in fixed income securities. We may receive both normal and customary transaction related compensation as a selling agent of fixed income securities as well as advisory fees on the fixed income security in your advisory account. Through our relationship with AAM, as a broker-dealer, we also receive a percentage of the concessions

AAM charges on fixed income security orders they execute for us. This arrangement may be deemed to create a conflict of interest since it results in increased compensation to us even though we are performing separate services for you.

To the extent an Advisor has waived any commission from the sale of a security or investment product, a third-party may still provide additional compensation to us. This third party compensation creates a conflict of interest since it could result in increased compensation for us or our affiliates.

We will allocate partially completed trades either in a pro-rata, a random fill or other method designed to treat you and all our clients fairly and equitably over time. The commissions we charge may be higher or lower than those charged by other broker-dealers. We correct trade errors arising from transactions in your account at our expense; however, we reserve the right to retain any gains that may arise from correcting such errors.

We may effect agency-cross transactions for you as an advisory client subject to applicable rules and regulations. Agency-cross transactions are when we cause a security to be transferred from one account to another. We will perform agency cross transactions at an independently determined market price and without incurring brokerage commissions, although customary custodian fees and transfer fees still will apply and be received by us. In agency-cross transactions, we act as broker-dealer for both buyer and seller of a security, though both may not be investment advisory clients of ours as well. We will not effect such agency transactions if we have absolute trading discretion over both parties. We will only perform cross-trades if we believe they are in the best interest of each client and after we obtain prior approval. We obtain prior approval from you under our standard client agreements. We do not typically act in a principal capacity when initiating any trade order for advisory accounts; however, our respective clearing/custodial firms may do so when executing a trade order for you. A principal capacity means the clearing/custodial firm sells you the security from their own inventory rather than finding another seller in the market. We handle any principal trades in an advisory account in accordance with applicable law.

We do not direct client securities transactions to obtain research benefits or other benefits, otherwise known as “soft-dollars.”

We and our Advisors may, but need not, aggregate or “bunch” orders for your account. Where we believe aggregation is appropriate and practicable or that it will result in a more favorable overall execution for you, we will allocate such bunched orders at the average price of the aggregated order. You will still pay the same ticket charges on any bunched or aggregated orders. Our Advisors may not include personal trades with aggregated or bunched orders for your accounts. Aggregation does not benefit client trades in mutual funds or exchange-traded funds and therefore we do not aggregate trades of these securities.

By choosing an Advisor Managed Account on one of our Advisory Platforms, the Advisor Enterprise Platform, IndeSuite Platform, or the Horizon Platform, you direct us and your Advisor to use a certain broker for trades in your account, typically the custodian associated with the Advisory Platform. Not all advisers require clients to direct brokerage. By directing brokerage, we will not have authority to negotiate commissions among various brokers or to obtain volume discounts and best execution may not be achieved. You may pay higher commissions or transaction costs and receive less favorable net prices than other clients. For trades in fixed income securities in your Advisor Managed Account, we may retain trading authority and remain obligated to obtain best execution of such trades in your account. In these circumstances, we will often use AAM to assist us in trading fixed income securities.

We may effect transactions for your account through broker-dealers that refer us advisory business. The use of such broker-dealers for trades in your account creates a conflict of interest since we have an incentive to increase referrals to our company. Through our relationship with AAM, we also receive a

percentage of the concessions AAM charges on fixed income security orders executed by AAM on behalf of our firm. The use of AAM on trades for your account creates a conflict of interest since we have an incentive to increase compensation to our company. Commissions and fees may be higher or lower than those that may be charged by other broker-dealers.

Review of Accounts

Our Advisors will contact you, and typically meet with you at least annually, to review the performance of your account and any changes to your financial situation and investment goals and objectives. In addition, our Advisors typically review the quarterly performance report received from your account custodian. Advisors may also perform account reviews more frequently when market conditions dictate. Other conditions that may trigger a review are changes in tax laws, new investment information, and changes in your own situation. We also require you, in our standard client agreement, to inform your Advisor promptly of any changes to your information, including changes to your financial situation or investment objectives and policies. You will receive confirmations of all transactions, monthly statements and/or quarterly performance reports from the designated custodian. Our Advisors and our home office personnel are typically available during normally business hours to answer questions or concerns you may have.

Client Referrals and Other Compensation

We may compensate affiliated and unaffiliated third-parties called “solicitors” to refer to us clients and prospects they believe would benefit from our investment advisory services. Any such arrangements with an unaffiliated third-party will be designed to comply with the Advisers Act, which requires, among other things, that you receive this brochure, we execute an agreement with the solicitor, and that you receive a compensation disclosure statement detailing the amount we will pay the solicitor that referred you.

We may also enter into arrangements where we and our Advisors refer you to affiliated and unaffiliated investment advisers that will provide advisory services to you. When we make such a referral, we and our Advisor will typically receive a portion of the total fee the investment adviser charges you for so long as they provide you services. We and your Advisor may also receive a transaction fee for such services as a solicitor. Any such arrangements will be designed to comply with the Advisers Act.

We may receive securities commissions, service fees, 12b-1 fees and other third-party payments if you implement our recommendations through our broker-dealer. A portion of such compensation may be paid to your Advisor. Relative to your mutual fund purchases, for the period in which you maintain an investment with the mutual fund, we and your Advisor may receive ongoing 12b-1 fees directly from the mutual fund company or on-going fees from the adviser, underwriter or distributor of the mutual fund company. There is a conflict of interest when we recommend these products or services since they could result in increased compensation to us and our Advisors.

We may also act as a selling agent on a best efforts basis in our capacity as a broker-dealer for new issues of fixed income securities which our Advisor may purchase for your account. In such transactions, we may receive both normal and customary transaction related compensation as a selling agent for the new issue fixed income security as well as advisory fees on the fixed income security in your advisory

account. We have entered into an agreement with AAM to assist us in executing fixed income transactions. The relationship with AAM pays us compensation for order flow based upon the total amount of fixed income securities executed through AAM. The amount of compensation is a percentage of the concession charged by AAM for executing fixed income transactions. We receive 20% of the concession AAM charges if the amount of fixed income trades AAM executes for all our clients, advisory and brokerage, totals up to \$2,000,000. We receive 25% of the concession AAM charges if the amount of fixed income trades AAM executes for all our clients, advisory and brokerage, is greater than \$2,000,000. The use of AAM to place trades in advisory client accounts creates a conflict of interest since we have an incentive to utilize their services and increase compensation to our company.

If your Advisor is also a registered representative of our firm, our another broker-dealer, your Advisor may receive, or may have already received, compensation in connection with products or services purchased for you in addition to any advisory fees you pay us. Similarly, many of our Advisors are independent insurance agents that sell insurance through our NFP Affiliates. As such, the Advisors and NFP Affiliates may receive compensation in connection with your purchase of securities or insurance in addition to any advisory fees you pay us. These relationships create a conflict of interest as they result in increased compensation to us, your Advisor or NFP Affiliates.

We may receive both financial and non-financial support from certain mutual fund, insurance and other companies or their affiliates based upon the sale of such companies' products by us. These payments are in addition to the sales charges, rule 12b-1 fees, service fees, redemption fees, deferred sales charges and other fees and charges described in the prospectus fee tables or offering documents of the various products. Additional information regarding the companies and amounts and types of compensation we may receive is available on our web site at

<https://securities.nfp.com/webfiles/public/Securities/providers.htm>. If you do not have access to our web site, you may contact your Advisor or our home offices for additional information. These relationships create a conflict of interest as they result in increased compensation to us, your Advisor or our affiliates.

We may charge a non-refundable due diligence fee to third-party managers or product sponsors considered for inclusion in our investment platforms available to Advisors. Paying such fee does not guarantee acceptance on any of our platforms or access to our Advisors. We do not share these fees with our Advisors. Initial fees charged may be up to \$5,000, depending on the complexity of the manager and the resources we need to perform the due diligence. Thereafter, the due diligence fee is typically \$1,500 annually, but may be more or less than this amount based upon the third-party manager and the nature of its services. We may waive these fees from time to time.

We have entered into a custodial support services agreement with NFS and Fidelity Brokerage Services, LLC in connection with our participation in their Institutional Wealth Management Services (IWS) platform. We provide back-office, administrative, custodial support and clerical services in connection with your accounts on the IWS platform. For these services, we receive an amount up to 0.14% based upon our client assets on the IWS Platform.

If we utilize the services of other broker-dealers and custodians to execute or assist us in filling customer trade orders, we may receive compensation from such broker-dealers in connection with the trades. In addition, we may receive execution price discounts and other compensation from these custodians and broker-dealers.

We have arrangements with various third-party managers or service providers that our Advisors may refer to you for services. We receive compensation from these managers or service providers to support

conferences, training, marketing efforts, staffing, ongoing education of Advisors and the marketing efforts we perform on their behalf. These fees are negotiable, and can be up to \$93,000. In addition, we receive compensation from various third party managers or service providers based upon a percentage of our client assets under their management. Such compensation may be up to 0.35% of the assets under management. You are not charged a higher fee based upon these arrangements. The third party managers or service providers with which we currently have such arrangements are: Envestnet Asset Management, Inc., Genworth Financial Wealth Management, Loring Ward, and SEI. Through our relationship with Envestnet, Envestnet pays us compensation based upon a percentage of client assets invested with the following third party managers and product sponsors: SIGMA, Russell Investment Group, Nationwide Financial, Niemann Capital Management, DiMeo Schneider, Symmetry Partners, SEI, Loring Ward, Clark, BTS and Lazard Asset Management. Such compensation may be up to 0.18% of our clients' assets under management with these third party managers. These relationships create a conflict of interest as they result in increased compensation to us.

Custody

We and our Advisors do not hold or maintain your assets. Third-party qualified custodians hold and maintain your assets and those custodians provide account statements directly to you at your address of record at least quarterly. We urge you to compare the account statements you receive from your account custodian with any performance report or statements we, our service providers or our Advisors may create for you.

Though we do not maintain any client assets, we do have custody over certain accounts of clients as described below. Some of our Advisors act as a trustee for a trust account of a client. In addition, we take possession of physical security certificates from both our brokerage and advisory clients and pass them along to your account custodian as a value-add customer service.

Investment Discretion

Unless we grant specific authority and approval to your Advisor, your Advisor is typically not granted absolute trading discretion on your Advisor Managed Accounts. Absolute trading discretion means placing a trade in your account without your approval. However, we may rebalance or reallocate your Advisor Managed Account in order to reestablish the targeted percentages of your initial asset allocation. This rebalancing or reallocation will occur on an intermittent or periodic basis such as upon your request, in response to a market event or on a specific date, like after a quarter-end review. You will be responsible for any and all taxes resulting from rebalancing or reallocation of your account.

In addition, if you access our Wrap Fee Programs, you are required to grant us and our service providers discretionary trading authority in order for the applicable third-party advisers to manage your account. Please see our Wrap Fee Brochure for more details.

Voting Client Securities

We do not, nor our Advisors, vote proxies for any clients.

Financial Information

We do not have any financial condition likely to impair us from meeting our contractual commitments to you.

Miscellaneous

Termination of Accounts

Typically both you and our company have the option under our standard agreements to terminate the agreement upon 30 days prior written notice. In addition, you have the right to terminate the contract without penalty within five (5) business days after entering into the contract. If you pay a fee in advance, fees will be pro-rated from the termination date and refunded to you.

Compliance Policies and Procedures

We maintain written compliance policies and procedures as required by the Advisers Act.

Anti-Money Laundering Program

We maintain an anti-money laundering program in accordance with applicable regulations.

Business Continuity Plan

We maintain a business continuity plan designed to minimize the impact of disasters, emergencies and other unforeseen circumstances on our services and communications. A description of our Business Continuity Plan is available on our website at <https://securities.nfp.com/webfiles/public/securities/company.htm>, or by contacting your Advisor or our home office.