

Item 1 – Cover Page

**SNS Financial Group, LLC**  
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**March 27, 2013**

**This brochure provides information about the qualifications and business practices of SNS Financial Group, LLC. If you have any questions about the contents of this Brochure, please contact us at (763) 421-5300 and/or Todd Stueve at [tstueve@snsfinancialgroup.com](mailto:tstueve@snsfinancialgroup.com). 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.**

**Additional information about SNS Financial Group, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for SNS Financial Group, LLC is 152667.**

**Any references to SNS Financial Group, LLC as a registered investment adviser or its related persons as registered advisory representatives does not imply a certain level of skill or training.**

## Item 2 - MATERIAL CHANGES

At least annually, this section will discuss only specific material changes that are made to the Brochure and provide you with a summary of such changes. Additionally, reference to the date of the last annual update to this Brochure will be provided.

The material changes discussed above are only those changes that have been made to this brochure since the firm's last annual update of the brochure. The date of the last annual update of the brochure was March 27, 2013.

In the past, we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new SEC Rules, we will ensure that you receive a summary of any material changes to this and subsequent brochures within 120 days of the close of our fiscal year, which is December 31st. We may further provide other ongoing dis-closure information about material changes as necessary.

Additionally, we will further provide you with a new brochure as necessary based on change or new information, at any time, without charge.

Our brochure may be requested free of charge by contacting Todd Stueve at 763) 421-5300 and/or [tstueve@snsfinancialgroup.com](mailto:tstueve@snsfinancialgroup.com). Additional information about SNS Financial Group, LLC is also available via the SEC's website [www.adviser.sec.gov](http://www.adviser.sec.gov). The website also provides information about any persons affiliated with SNS Financial Group, LLC who are registered, or are required to be registered, as investment adviser representatives of SNS Financial Group, LLC.

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Note: New disclosures added are indicated as colored or highlighted.

January 22, 2013 Revisions

Item 4 – Updated assets under management from \$50 million of discretionary assets under management as of 12/31/2011 to \$113,200,000 and non-discretionary assets under management to \$99,200,000 as of 3/31/2013.

Item 4.B amended as follows.

SNS offers the following advisory services. Each of the services is more fully described below.

- **Asset Management**  
*SNS's Asset Management Program specializes in utilizing a planning approach to select a strategy, or mix of strategies, that fit with client goals and risk objectives. We manage a variety of strategies including, strategic, tactical, option, option overlay, and/or quantitative modeling to attempt to reduce volatility, downside risk, and the impact of major market corrections.*
- **Investment Coaching, Asset Monitoring and Investment Advisory**  
*SNS offers these relationship options to clients who may or may not wish to have assets managed in a pre-determined investment model. These services are offered to clients who want to have more of a role in managing their accounts. This relationship allows clients to act as their own portfolio managers, but receive advice about investment decisions from one of our advisors. It also allows clients with concentrated stock positions, or a portfolio of*

## SNS Financial Group, LLC

*securities that they want to hold, to utilize our research, knowledge, and expertise to make hedging decisions.*

- Financial Planning, **Wealth Management** and Consulting Services  
*SNS offers comprehensive financial planning services to all of our clients. Planning services include tax, estate, retirement, and asset allocation planning.*

### Item 4 under the heading SNS Asset Management Program amendments.

SNS provides active asset management generally involving equity, exchange traded funds (ETFs) and options. SNS has ~~three different various~~ investment strategies: Absolute Theta (Exchange Traded Fund tactical option overlay portfolio), Diversified Global (Exchange Traded Funds tactical portfolio) – offers conservative, moderate, growth and aggressive growth strategy, Capstone (Mixed Exchange Traded Fund tactical and option overlay)- offers conservative, moderate, growth, and aggressive growth strategy, Iron Condor Strategy, Directional Credit Spread Strategy, Income Plus (High Yield Stock and ETF strategy with partial option overlay), and Strategic Portfolios (global equity, fixed income, and alternative's)- offers conservative, moderate, growth, and aggressive growth, Dividend Stock, Strategic Portfolios, and Options strategy. SNS will develop and use other strategies from time to time. SNS investment advisors will use the information gathered from our investment policy statement to guide the client into what investment strategy will best suit a client's goals and objectives

~~Absolute Theta: Under this investment strategy there are three different model portfolios. The asset allocations of each model very slight based on risk tolerances.~~ The overall objective of the Absolute Theta models is to provide multiple sources of investment return (not relying solely on market performance) and provide protection against tail risk in the market. This is accomplished by tactically switching between writing out of the money options against underlying positions during periods of perceived strength in asset classes and collaring portfolios during periods of perceived weakness in asset classes. generate return from time decay of options premium in addition to market performance. These models would not be considered diversified models in the traditional sense of the word but does offer a diversification of philosophy. Any type of options strategy is available to be used in these models. The asset allocation and options strategies used will be made at the sole discretion of SNS's money management team.

~~Diversified Global: Under this investment strategy there are four different model portfolios; Conservative, Moderate, Growth and Aggressive Growth. The specifics of the asset allocation will be described in detail in the investment policy statement. This is a multi-asset class strategy that includes ETF's in domestic equities, international developed equities, emerging market equities, fixed income, real estate, and commodities. It aims to deliver real returns (returns in excess of inflation) over the long term. This is accomplished by dynamically changing (hedging) the asset allocation when major trends are identified. Diversified Global has a low correlation to traditional (strategic) equity strategies. The objective of the Diversified Global strategy is to provide exposure to Traditional and Alternative Asset classes. These include Domestic Equities, International Developed Equities, Emerging Market Equities, Fixed Income, Real Estate and Commodities. Exchange traded funds will be used to get exposure to the asset classes mentioned above. In addition to diversification SNS's money management team will use dynamic hedging in an effort to provide clients with a better risk adjusted return over a static portfolio. Dynamic hedging, portfolio holdings, and portfolio rebalancing will be based on the discretion of SNS's money management team.~~

~~Capstone: Under this investment strategy there are four different model portfolios; cConservative, mModerate, gGrowth and aAggressive gGrowth. Asset Allocation and dDynamic hedging will be the same as in similar to the Diversified Global mModel. This strategy also implements a calln options~~

## SNS Financial Group, LLC

selling strategy over the Exchange Traded Funds (ETF's) in the portfolio. The objective of the options selling is to provide additional yield, and/or hedging income to the portfolio. Options will be sold out of the money with approximately 60-120 day until expiration. The underlying holdings, options strike price, and contract month will be determined at the discretion of SNS's money management team.

~~Dividend Stock Income Plus: Utilizes individual equities and out of the money calls.~~ This strategy seeks yield through high dividend paying stocks and high yielding asset classes such as REIT's, MLP's, bonds, and Preferred stocks. Large cap/ low beta stocks are used in the core of this portfolio. In addition to dividend and interest income this strategy writes call options against most of the common stock positions. The goal of call writing is to add more yield as well as add some volatility and downside protection during market declines. Calls will generally be sold 60-120 days to expiration. The underlying holdings, options strike price, and contract month will be determined at the discretion of SNS's money management team.

~~Strategic Portfolios: These strategies provide investors with a low cost way to gain exposure to global equity, fixed income, and alternative investments. The essentials are for long-term investors who want exposure to a variety of asset classes over the long term. There are four models; conservative, moderate, growth, and aggressive growth. The strategic option can utilize only equity and fixed income asset classes, or it can utilize equities and fixed income with alternative investments. Portfolio holdings will be determined at the discretion of SNS's money management team.~~

~~Iron Condor Strategy: This strategy aims to capture the volatility risk premium that exists in most major equity indices, interest rates, and commodity options. Volatility risk premium is defined as the difference between the implied volatility that options are priced at, and the actual volatility experienced in the asset. This is accomplished through selling credit call and put spreads. In general Iron Condors will be set up as a Delta neutral trade that is Delta hedged on an ongoing basis. The money management team may elect to write unbalanced condors or only write one leg at a time as they see fit. From time to time calendar spreads may also be used, as they offer a similar risk/reward profile, but from time to time may be more attractive than Iron Condors. This strategy is highly leveraged. The underlying holdings, options strike price, and contract month will be determined at the discretion of SNS's money management team.~~

~~Directional Credit Spreads: This strategy intentionally seeks high total returns, with this goal comes significant risk of volatility and draw-downs. This is a highly leveraged strategy that utilizes quantitative analysis to identify potential market trends and uses bull put spreads and bear call spreads as vehicles to gain directional exposure to the S&P 500 and Russell 2000 indexes. Trades are short term in nature, lasting two weeks on average. The underlying holdings, options strike price, and contract month will be determined at the discretion of SNS's money management team.~~

~~Strategic Portfolios: The strategy is a buy and hold.~~

~~Options Strategy: Advanced option strategies are used.~~

Item 4 – Added the following service and added Wealth Management to Financial Planning and Consulting services.

### Investment Coaching, Asset Monitoring and Investment Advisory

This service is more suitable for the investor who does not want active asset management but needs consulting or investment coaching services. These services provide a source for investment advice, asset allocation recommendation and/or monitoring services. This is a non-discretionary relationship and can be customized to the client's needs. This service is typically suited for two types of clients:

1. Clients who want to take a hands on approach to managing their investments. The client wants to act as the portfolio manager, but wishes to have a coach to offer advice on asset allocation, hedging strategies, market timing, portfolio holdings, or other aspects of investments.
2. Clients who have a concentrated position in one or more stocks, who want advice on how to hedge positions. A predetermined non-discretionary strategy can be implemented by SNS, if it is approved by the client in this situation.

SNS can be engaged to implement investment advice and recommendations upon client's approval.

Item 5 added the following disclosures under SNS Asset Management Program and amended fee schedule to a single fee schedule.

The fees listed below are maximum annual fees, actual fees are based on several factors including type of strategy, type of services, sophistication of the client, and amount of assets being managed.

#### Absolute Theta

<u>Account Size</u>	<u>Maximum Annual Fee</u>
<u>\$50,000 to \$1,000,000</u>	<u>2.0%</u>
<u>\$1,000,000 to \$2,000,000</u>	<u>2.0%</u>
<u>\$2,000,000 and above</u>	<u>1.75%</u>

#### Capstone

<u>Account Size</u>	<u>Annual Fee</u>
<u>\$50,000 to \$500,000</u>	<u>1.50%</u>
<u>\$500,000 to \$1,500,000</u>	<u>1.25%</u>
<u>\$1,500,000 and above</u>	<u>1.00%</u>

#### Diversified Global

<u>Account Size</u>	<u>Annual Fee</u>
<u>\$50,000 to \$500,000</u>	<u>1.25%</u>
<u>\$500,000 to \$1,500,000</u>	<u>1.00%</u>
<u>\$1,500,000 and above</u>	<u>.85%</u>

Alternatively, clients receiving multiple services such as asset management, investment coaching, and/or financial planning services will can be charged a fixed fee. The fixed fee is inclusive of all services. The fixed fee can range up to \$65,000 annually. Clients will be quoted an annual fee. The fee will be determined by SNS based on a combination of several factors including complexity of the client, needs of

SNS Financial Group, LLC

the client, assets under management, assets being monitored, and sophistication of the client. The fixed fee will be reviewed annually and adjusted based on the aforementioned factors. Fees are negotiable.

The Fixed fees will be charged in four equal installments. However, if an agreement is executed during a quarter, the initial fee will be a quoted amount based on work performed in the first quarter and thereafter quarterly in equal installments.

Item 5 – Added the fee disclosures for the following service.

**Investment Coaching, Asset Monitoring and Investment Advisory**

Clients will be charged a quarterly fee up to a maximum of \$65,000.00 annually———. The average client fee for this service is between \$5,000.00 and \$10,000.00 -annually. The fee is determined for each client based on the following factors: value of assets being monitored, complexity of the client's situation, services to be rendered (i.e. strictly consultative, consultative and implementation, research, etc.), and complexity of the assets in the account (mutual funds versus individual equity and bond accounts and options). Clients will be provided a quote prior to execution of the advisory agreement. Fees are negotiable.

Fees will be due to Adviser quarterly in advance and will generally be deducted from the client's account. Client authorization for Adviser to deduct its fees will be granted in the advisory agreement. Clients will receive a statement direct from the account custodian reflecting the amount of the fee deducted from the account and provided to Adviser. Fees are billed in equal installments and are not prorated for partial quarterly periods since the fee is considered earned after the quarterly consultation.

**Termination Provisions**

You may terminate investment advisory services obtained from SNS, without penalty, upon written notice within five (5) business days after entering into the advisory agreement with SNS. You will be responsible for any fees and charges incurred from third parties as a result of maintaining the Account such as transaction fees for any securities transactions executed and Account maintenance or custodial fees. Thereafter, you may terminate services upon SNS's receipt of your written notice to terminate. Should you terminate services during a quarter, you will be refunded a pro-rata portion of the advisory fee for the quarter from the date of termination to the end of the calendar quarter.

Raised the financial planning fee from \$8,000 to \$10,000.

Item 7 – Added the following language.

SNS's strategies and services are more appropriate for clients who have \$500,000 of assets to be placed under SNS's management or a \$1,000,000 net worth. Clients who have less than \$500,000 of assets under management with SNS or less than a \$1,000,000 net worth may find SNS's services to be more costly. Additionally, SNS may not be able to fully employ all strategies to the full extent. Consequently, smaller accounts may experience a higher degree of risk.

Item 13 – Added Tyler Schelhaas

Item 14. a – Added the following language.

SNS will benefit from trading errors in clients' accounts. Transactions executed by SNS in clients' accounts that result in an error made by SNS will be resolved in a way to not harm the client. Clients will not share in any loss as a result of a trading error executed by SNS. However, should the correction of the error result in a profit being made, the profit will be retained by SNS.

SNS Financial Group, LLC

Item 3 - **TABLE OF CONTENTS**

Item 1 – COVER PAGE.....	Cover Page
Item 2 - MATERIAL CHANGES .....	2
Item 3 - TABLE OF CONTENTS .....	7
Item 4 - ADVISORY BUSINESS.....	8
SNS Asset Management Programs.....	9
Investment Coaching, Asset Monitoring and Investment Advisory .....	11
Financial Planning, Wealth Management, and Consulting Services.....	11
General Information .....	11
Item 5 - FEES AND COMPENSATION .....	12
SNS Asset Management Program .....	12
Investment Coaching, Asset Monitoring and Investment Advisory .....	13
Financial Planning and Consulting Services .....	13
Item 6 - PERFORMANCE-BASED FEES AND SIDE BY SIDE MANAGEMENT .....	14
Item 7 - TYPES OF CLIENTS.....	14
Item 8 - METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS .....	15
Item 9 - DISCIPLINARY INFORMATION.....	15
Item 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS .....	15
Item 11 - CODE OF ETHICS, PARTICIPATION OF INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING .....	16
Item 12 - BROKERAGE PRACTICES .....	16
Item 13 - REVIEW OF ACCOUNTS .....	19
Item 14 - CLIENT REFERRALS AND OTHER COMPENSATION .....	19
Item 15 - CUSTODY .....	21
Item 16 - INVESTMENT DISCRETION .....	21
Item 17 - VOTING CLIENT SECURITIES .....	21
Item 18 - FINANCIAL INFORMATION.....	22
Item 19 - REQUIREMENTS FOR STATE REGISTERED ADVISERS .....	22
Brochure Supplements	

#### **Item 4 - ADVISORY BUSINESS**

SNS Financial Group, LLC (hereinafter referred to as “SNS”) is an investment advisory firm offering a variety of advisory services customized to your individual needs.

- A. SNS was established in December of 2009. Brian Skolte and Todd Stueve are members and owners of SNS.
- B. SNS offers the following advisory services. Each of the services is more fully described below.
- **Asset Management**  
SNS’s Asset Management Program specializes in utilizing a planning approach to select a strategy, or mix of strategies, that fit with client goals and risk objectives. We manage a variety of strategies including, strategic, tactical, option, option overlay, and/or quantitative modeling to attempt to reduce volatility, downside risk, and the impact of major market corrections.
  - **Investment Coaching, Asset Monitoring and Investment Advisory**  
SNS offers these relationship options to clients who may or may not wish to have assets managed in a pre determined investment model. These services are offered to clients who want to have more of a role in managing their accounts. This relationship allows clients to act as their own portfolio managers, but receive advice about investment decisions from one of our advisors. It also allows clients with concentrated stock positions, or a portfolio of securities that they want to hold, to utilize our research, knowledge, and expertise to make hedging decisions.
  - **Financial Planning, Wealth Management and Consulting Services**  
SNS offers comprehensive financial planning services to all of our clients. Planning services include tax, estate, retirement, and asset allocation planning.
- C. SNS tailors the advisory services it offers to your individual needs. You may impose restrictions and/or limitations on the investing in certain securities or types of securities. SNS will meet with you and conduct an interview and data gathering session to continue the due diligence process. Additionally, if you are participating in the SNS Asset Management Program, SNS may prepare an investment policy statement. The investment policy statement will identify your investment objectives and risk tolerance as well as acting as a road map to the management of your account. The information gathered by SNS will assist SNS to provide you with the requested services and customize the services to your financial situation. Depending on the services you have requested, SNS may gather various financial information and history from you including, but not limited to:
- Retirement and financial goals
  - Investment objectives
  - Investment horizon
  - Financial needs
  - Cash flow analysis
  - Cost of living needs
  - Education needs
  - Savings tendencies
  - Other applicable financial information required by SNS in order to provide the investment advisory services requested.

## SNS Financial Group, LLC

- D. SNS does not participate in any wrap fee programs.
- E. As of March 31, 2013, we have approximately \$113,200,000 of client assets under our discretionary management. SNS also has approximately \$99,200,000 of non-discretionary client assets under management.

### **SNS Asset Management Programs**

Upon SNS completing its analysis of your situation, SNS will determine an asset allocation customized to your financial goals, objectives and risk tolerance. SNS has designed various model portfolios. After evaluating your information gathered by SNS, SNS will determine which of its model portfolios would be most suitable for you. SNS customizes your portfolio allocation taking into consideration your limitations or restrictions, the market and economy at the time and your financial situation, goals and objectives. Other clients may have similar or different portfolios holdings compared to other clients, depending on the suitability of the client.

SNS provides active asset management generally involving equity, exchange traded funds (ETFs) and options. SNS has various investment strategies: Absolute Theta (Exchange Traded Fund tactical option overlay portfolio), Diversified Global (Exchange Traded Funds tactical portfolio) – offers conservative, moderate, growth and aggressive growth strategy, Capstone (Mixed Exchange Traded Fund tactical and option overlay)- offers conservative, moderate, growth, and aggressive growth, Iron Condor Strategy, Directional Credit Spread Strategy, Income Plus (High Yield Stock and ETF strategy with partial option overlay), and Strategic Portfolios (global equity, fixed income, and alternative's)- offers conservative, moderate, growth, and aggressive growth, . SNS will develop and use other strategies from time to time. SNS investment advisors will use the information gathered from our investment policy statement to guide the client into what investment strategy will best suit a client's goals and objectives

**Absolute Theta:** The overall objective of the Absolute Theta models is to provide multiple sources of investment return (not relying solely on market performance) and provide protection against tail risk in the market. This is accomplished by tactically switching between writing out of the money options against underlying positions during periods of perceived strength in asset classes and collaring portfolios during periods of perceived weakness in asset classes. This model would not be considered diversified models in the traditional sense of the word but does offer a diversification of philosophy. The asset allocation and options strategies used will be made at the sole discretion of SNS's money management team.

**Diversified Global:** Under this investment strategy there are four different model portfolios; Conservative, Moderate, Growth and Aggressive Growth. This is a multi asset class strategy that includes ETF's in domestic equities, international developed equities, emerging market equities, fixed income, real estate, and commodities. It aims to deliver real returns (returns in excess of inflation) over the long term. This is accomplished by dynamically changing (hedging) the asset allocation when major trends are identified. Diversified Global has a low correlation to traditional (strategic) equity strategies. Dynamic hedging, portfolio holdings, and portfolio rebalancing will be based on the discretion of SNS's money management team.

**Capstone:** Under this investment strategy there are four different model portfolios; conservative, moderate, growth and aggressive growth. Dynamic hedging will be similar to the Diversified Global model. This strategy also implements a call options selling strategy over the Exchange Traded Funds (ETF's) in the portfolio. The objective of the options selling is to provide additional yield, and/or hedging to the portfolio. Options will be sold out of the money with approximately 60-120 day until expiration. The underlying

## SNS Financial Group, LLC

holdings, options strike price, and contract month will be determined at the discretion of SNS's money management team.

**Income Plus:** This strategy seeks yield through high dividend paying stocks and high yielding asset classes such as REIT's, MLP's, bonds, and Preferred stocks. Large cap/ low beta stocks are used in the core of this portfolio. In addition to dividend and interest income this strategy writes call options against most of the common stock positions. The goal of call writing is to add more yield as well as add some volatility and downside protection during market declines. Calls will generally be sold 60-120 days to expiration. The underlying holdings, options strike price, and contract month will be determined at the discretion of SNS's money management team.

**Strategic Portfolios:** These strategies provide investors with a low cost way to gain exposure to global equity, fixed income, and alternative investments. The essential's are for long-term investors who want exposure to a variety of asset classes over the long term. There are four models; conservative, moderate, growth, and aggressive growth. The strategic option can utilize only equity and fixed income asset classes, or it can utilize equities and fixed income with alternative investments. Portfolio holdings will be determined at the discretion of SNS's money management team.

**Iron Condor Strategy:** This strategy aims to capture the volatility risk premium that exists in most major equity indices, interest rates, and commodity options. Volatility risk premium is defined as the difference between the implied volatility that options are priced at, and the actual volatility experienced in the asset. This is accomplished through selling credit call and put spreads. In general Iron Condors will be set up as a Delta neutral trade that is Delta hedged on an ongoing basis. The money management team may elect to write unbalanced condors or only write one leg at a time as they see fit. From time to time calendar spreads may also be used, as they offer a similar risk/reward profile, but from time to time may be more attractive than Iron Condors. This strategy is highly leveraged. The underlying holdings, options strike price, and contract month will be determined at the discretion of SNS's money management team.

**Directional Credit Spreads:** This strategy intentionally seeks high total returns, with this goal comes significant risk of volatility and draw-downs. This is a highly leveraged strategy that utilizes quantitative analysis to identify potential market trends and uses bull put spreads and bear call spreads as vehicles to gain directional exposure to the S&P 500 and Russell 2000 indexes. Trades are short term in nature, lasting two weeks on average. The underlying holdings, options strike price, and contract month will be determined at the discretion of SNS's money management team.

SNS will provide continuous and ongoing management of your account. Unless otherwise expressly requested by you, SNS will manage the account on a discretionary basis and will make changes to the allocation as deemed appropriate by SNS. SNS will determine the securities to be purchased and sold in the account and will alter the securities holdings from time to time, without prior consultation with you. SNS may actively trade securities and hold such holdings for periods of 30 days or less or maintain positions for longer or shorter term periods. Discretionary authority will be granted by you to SNS by execution of the Asset Management agreement.

If you elect to have your accounts managed on a nondiscretionary basis, no changes will be made to the allocation of your account without prior consultation with you and your expressed agreement. Clients who choose to have accounts managed on a nondiscretionary basis are advised that such accounts are subject to certain risks. Risks may include but not be limited to the risk of missing market opportunities or the risk of

## SNS Financial Group, LLC

the Advisory Representative not being able to move out of the market in a timely manner until client has been contacted to discuss recommendations for changes within the client's Account and client's prior authorization has been obtained before any buy, sell or exchange. Therefore, the performance of nondiscretionary accounts may fluctuate from those accounts managed on a discretionary basis.

You are advised transactions in the account, account reallocations and rebalancing may trigger a taxable event, with the exception of IRA accounts, 403(b) accounts and other qualified retirement accounts.

### **Investment Coaching, Asset Monitoring and Investment Advisory**

This service is more suitable for the investor who does not want active asset management but needs consulting or investment coaching services. These services provide a source for investment advice, asset allocation recommendation and/or monitoring services. This is a non-discretionary relationship and can be customized to the client's needs. This service is typically suited for two types of clients:

1. Clients who want to take a hands on approach to managing their investments. The client wants to act as the portfolio manager, but wishes to have a coach to offer advice on asset allocation, hedging strategies, market timing, portfolio holdings, or other aspects of investments.
2. Clients who have a concentrated position in one or more stocks, who want advice on how to hedge positions. A predetermined non-discretionary strategy can be implemented by SNS, if it is approved by the client in this situation.

SNS can be engaged to implement investment advice and recommendations upon client's approval.

### **Financial Planning, Wealth Management, and Consulting Services**

SNS offers financial, estate, tax, and retirement, education planning services. Additionally, SNS will provide consultation on asset allocations and various financial related matters such as budgeting and debt reduction.

Plans are based on your financial situation at the time and are based on financial information disclosed by you to SNS. You are advised that certain assumptions may be made with respect to interest and inflation rates and use of past trends and performance of the market and economy. However, past performance is in no way an indication of future performance. SNS cannot offer any guarantees or promises that your financial goals and objectives will be met. Further, you must continue to review the plan and update the plan based upon changes in your financial situation, goals, or objectives or changes in the economy. Should your financial situation or investment goals or objectives change, you must notify SNS promptly of the changes. You are advised that the advice offered by SNS may be limited and is not meant to be comprehensive. Therefore, you may need to seek the services of other professionals such as an insurance adviser, attorney and/or accountant.

### **General Information**

You are advised the investment recommendations and advice offered by SNS are not legal advice or accounting advice. You should coordinate and discuss the impact of financial advice with your attorney and/or accountant. You are advised that it is necessary to inform SNS promptly with respect to any changes in your financial situation and investment goals and objectives. Failure to notify SNS of any such changes could result in investment recommendations not meeting your needs.

## Item 5 - FEES AND COMPENSATION

### SNS Asset Management Program

- A. Fees are negotiable and are not based on a share of capital gains upon or capital appreciation of the funds or any portion of the funds. The fees listed below are maximum annual fees, actual fees are based on several factors including type of strategy, type of services, sophistication of the client, and amount of assets being managed.

You may make additions to the Account or withdrawals from the Account, provided the Account continues to meet minimum account size requirements. No fee adjustments will be made for partial withdrawals or for additional deposits to the account during a calendar quarter, unless the deposit or withdrawal is at least \$75,000 or more based on an aggregate during a quarter. Furthermore, there will be no fee adjustments for account appreciation or depreciation.

Account Size	Maximum Annual Fee
\$1,000 to \$2,000,000	2.0%
\$2,000,000 and above	1.75%

SNS aggregates all of your managed accounts together to determine your quarterly fee.

Alternatively, clients receiving multiple services such as asset management, investment coaching, and/or financial planning services can be charged a fixed fee. The fixed fee is inclusive of all services. The fixed fee can range up to \$65,000 annually. Clients will be quoted an annual fee. The fee will be determined by SNS based on a combination of several factors including complexity of the client, needs of the client, assets under management, assets being monitored, and sophistication of the client. The fixed fee will be reviewed annually and adjusted based on the aforementioned factors. Fees are negotiable.

SNS may change the above fee schedule upon 30-days prior written notice to you.

- B. Advisory fees will generally be collected directly from your account, provided you have given SNS written authorization. Clients will be provided with an account statement reflecting the deduction of the advisory fee direct from the account custodian. If the Account does not contain sufficient funds to pay advisory fees, SNS has limited authority to sell or redeem securities in sufficient amounts to pay advisory fees. You may reimburse the account for advisory fees paid to SNS, except for ERISA and IRA accounts.
- C. In addition to the advisory fees above, you will pay transaction fees for securities transactions executed in your account in accordance with the custodian's transaction fee schedule. Additionally, you may pay fees for custodial services, account maintenance fees, transaction fees, and other fees associated with maintaining the Account. Such fees are not charged by SNS and are charged by the product, broker/dealer or account custodian. SNS does not share in any portion of such fees. Additionally, you may pay your proportionate share of the fund's management and administrative fees and sales charges as well as the mutual fund adviser's fee of any mutual fund they purchase. Such advisory fees are not shared with SNS and are compensation to the fund-manager.

## SNS Financial Group, LLC

- D. Advisory fees will be charged in advance on a calendar quarterly basis. The initial fee will be determined upon establishment of the value of the portfolio and will be based upon the proportion of the number of days remaining in the initial calendar quarter. Thereafter, advisory fees will be calculated on a calendar quarter based on the value of the account on the last business day of the just completed calendar quarter. Fixed fees will be charged in four equal installments. However, if an agreement is executed during a quarter, the initial fee will be a quoted amount based on work performed in the first quarter and thereafter quarterly in equal installments.

### Termination Provisions

You may terminate investment advisory services obtained from SNS, without penalty, upon written notice within five (5) business days after entering into the advisory agreement with SNS. You will be responsible for any fees and charges incurred from third parties as a result of maintaining the Account such as transaction fees for any securities transactions executed and Account maintenance or custodial fees. Thereafter, you may terminate services upon SNS's receipt of your written notice to terminate. Should you terminate services during a quarter, you will be refunded a pro-rata portion of the advisory fee for the quarter from the date of termination to the end of the calendar quarter.

### **Investment Coaching, Asset Monitoring and Investment Advisory**

Clients will be charged a quarterly fee up to a maximum of \$65,000.00 annually. The average client fee for this service is between \$5,000.00 and \$10,000.00 annually. The fee is determined for each client based on the following factors: value of assets being monitored, complexity of the client's situation, services to be rendered (i.e. strictly consultative, consultative and implementation, research, etc.), and complexity of the assets in the account (mutual funds versus individual equity and bond accounts and options). Clients will be provided a quote prior to execution of the advisory agreement. Fees are negotiable.

Fees will be due to Adviser quarterly in advance and will generally be deducted from the client's account. Client authorization for Adviser to deduct its fees will be granted in the advisory agreement. Clients will receive a statement direct from the account custodian reflecting the amount of the fee deducted from the account and provided to Adviser. Fees are billed in equal installments and are not prorated for partial quarterly periods since the fee is considered earned after the quarterly consultation.

### Termination Provisions

You may terminate investment advisory services obtained from SNS, without penalty, upon written notice within five (5) business days after entering into the advisory agreement with SNS. You will be responsible for any fees and charges incurred from third parties as a result of maintaining the Account such as transaction fees for any securities transactions executed and Account maintenance or custodial fees. Thereafter, you may terminate services upon SNS's receipt of your written notice to terminate. Should you terminate services during a quarter, you will be refunded a pro-rata portion of the advisory fee for the quarter from the date of termination to the end of the calendar quarter.

### **Financial Planning and Consulting Services**

You are advised that fees for planning services are strictly for planning services. Therefore, you may pay fees for additional services obtained such as asset management or products purchased such as securities or insurance.

## SNS Financial Group, LLC

Fees are negotiable. Your fees will be dependent on several factors including time involved, research services, number of meetings, staff resources, number of parties and professionals involved, complexity of the situation, number of areas of the financial situation requiring review and evaluation, and expenses incurred by SNS.

Typically, you will be quoted a project fee. However, for consultative services or services where SNS is not able to define the work, research, time, etc. involved to provide the services, you may be charged on an hourly fee basis. In such cases, SNS and/or you may set a maximum fee requiring your authorization to continue with services if time and research exceed the initial quoted fee.

<b>Fee Type</b>	<b>Maximum Fee</b>	<b>Payable</b>
Fixed Fee	\$10,000	Fees are generally due and payable upon execution of the advisory agreement with SNS, unless otherwise negotiated.
Hourly Fee	\$250 per hour	Payable at the end of each month based upon time spent by SNS or upon completion of the services.

### Termination Provisions

You may terminate advisory services within five (5) business days after entering into the advisory agreement without penalty. After five (5) business days of entering into the advisory agreement, you may terminate the agreement with SNS at any time prior to completion of the services upon written notice of termination of services being delivered and received by SNS. Any refund of pre-paid fees will be calculated based on the amount of time spent by SNS and multiplied by the hourly rate of \$250 per hour.

### **Item 6 - PERFORMANCE-BASED FEES AND SIDE BY SIDE MANAGEMENT**

This section is not applicable to SNS since SNS does not charge performance based fees.

### **Item 7 - TYPES OF CLIENTS**

SNS's services are geared toward individuals both high net worth individuals (i.e. clients with a net worth of \$2,000,000 or assets under management with SNS of \$1,000,000) and not high net worth individuals, institutions and pension and profit sharing plans. SNS's strategies and services are more appropriate for clients who have \$500,000 of assets to be placed under SNS's management or a \$1,000,000 net worth. Clients who have less than \$500,000 of assets under management with SNS or less than a \$1,000,000 net worth may find SNS's services to be more costly. Additionally, SNS may not be able to fully employ all strategies to the full extent. Consequently, smaller accounts may experience a higher degree of risk.

Generally, SNS's minimum household size in order to obtain asset management services is \$500,000 based on an aggregated household value. SNS reserves the right to make exceptions to the household and account minimums. Exceptions will be considered if additional assets will soon be deposited or you have other accounts under management with SNS. You are advised performance may suffer due to difficulties with diversifying smaller accounts and due to risk controls potentially being compromised. Performance of smaller accounts may vary from the performance of accounts with more dollars invested due to fluctuations in the market may affect smaller accounts more and the effects of compounding may be greater in larger accounts. Additionally accounts under \$50,000 may find management services to be costly.

## **Item 8 - METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

- A. SNS conducts a combination of analysis utilizing charting, fundamental, and technical analysis. Charting is a form of technical analysis in which various factors are diagrammed in order to illustrate patterns. Fundamental analysis generally involves assessing a company's or security's value based on factors such as sales, assets, markets, management, products and services, earnings, and financial structure. Technical analysis generally involves studying trends and movements in a security's price, trading volume, and other market-related factors in an attempt to discern patterns.
- B. You are advised investing in securities involves risk of loss, including the potential loss of principal. Therefore, your participation in any of the management programs offered by SNS will require you to be prepared to bear the risk of loss and fluctuating performance.

SNS does not represent, warrant or imply that the services or methods of analysis used by SNS can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to major market corrections or crashes. Past performance is no indication of future performance. No guarantees can be offered that your goals or objectives will be achieved. Further, no promises or assumptions can be made that the advisory services offered by SNS will provide a better return than other investment strategies.

- C. SNS primarily uses exchange traded funds (ETFs) and stocks. The risks with ETFs and stocks is that they trade on an auctionable market. Therefore, there is more price fluctuation with ETFs and stocks than with mutual funds since ETFs trade throughout the day. Also, since most ETFs only mirror a market index, such as the S&P 500, they won't outperform the index. The risks with stocks and bonds are that their prices fluctuate throughout the day. Stocks can drop in value and become worthless. The risks with stocks is market risk and company specific risk. The price of a stock can decline due to company-specific reasons as well as the health of the overall stock market. Even dividends, which many beginning investors believe are guaranteed payments by the company, can decline or be totally eliminated.

## **Item 9 - DISCIPLINARY INFORMATION**

There is no reportable disciplinary information required for SNS or its management persons that is material to your evaluation of SNS, its business or its management persons.

## **Item 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

SNS is not and does not have a related person who is a: futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing entities. Further, SNS is not and does not have a related person who is: broker/dealer or other similar type of broker or dealer; investment company or other pooled investment vehicle, other investment adviser or financial planner; futures commission merchant or commodity pool operator; banking or thrift institution; accountant or accounting firm; lawyer or law firm; insurance company or agency; pension consultant; real estate broker or dealer; or sponsor or syndicator of a limited partnership.

## **Item 11 - CODE OF ETHICS, PARTICIPATION OF INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

### **Code Of Ethics**

- A. SNS has a fiduciary duty to you to act in your best interest and always place your interests first and foremost. SNS takes seriously its compliance and regulatory obligations and requires all staff to comply with such rules and regulations as well as SNS's policies and procedures. Further, SNS strives to handle your non-public information in such a way to protect information from falling into hands that have no business reason to know such information and provides you with SNS's Privacy Policy. As such, SNS maintains a code of ethics for its Advisory Representatives, supervised persons and staff. The Code of Ethics contains provisions for standards of business conduct in order to comply with federal securities laws, personal securities reporting requirements, pre-approval procedures for certain transactions, code violations reporting requirements, and safeguarding of material non-public information about your transactions. Further, SNS's Code of Ethics establishes SNS's expectation for business conduct. A copy of our Code of Ethics will be provided to you upon request.
- B. Neither SNS nor its associated persons recommends to clients or buys or sells for client accounts any securities in which we have a material financial interest.
- C. SNS and its associated persons may buy or sell securities identical to those securities recommended to you. Therefore, SNS and/or its associated persons may have an interest or position in certain securities that are also recommended and bought or sold to you. SNS and its associated persons will not put their interests before your interest. SNS and its associated persons may not trade ahead of you or trade in such a way to obtain a better price for themselves than for you or other clients.
- D. SNS is required to maintain a list of all securities holdings for its associated persons and develop procedures to supervise the trading activities of associated persons who have knowledge of your transactions and their related family accounts at least quarterly. Further, associated persons are prohibited from trading on non-public information or sharing such information.

### **Prohibition on Use of Insider Information**

SNS has adopted policies and procedures to prevent the misuse of "insider" information (i.e. material and non-public information). A copy of such policies and procedures is available to any person upon request.

## **Item 12 - BROKERAGE PRACTICES**

SNS participates in the institutional advisor program (the "Program") offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC/NFA ("TD Ameritrade"), an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers to independent investment advisors services which include custody of securities, trade execution, clearance and settlement of transactions. SNS receives some benefits from TD Ameritrade through its participation in the Program. (Please see the disclosure under Item 14. below.) TD Ameritrade and SNS are not affiliated.

### *Soft-Dollar Arrangements*

Generally, in addition to an investment adviser's ability to provide "best execution," SNS may also consider the value of "research" or additional brokerage products and services a broker-dealer has provided or may be willing to provide. This is known as paying for those services or products with "soft dollars." Because many

## SNS Financial Group, LLC

of the services or products could be considered to provide a benefit to the firm, and because the “soft dollars” used to acquire them are client assets, the firm could be considered to have a conflict of interest in allocating client brokerage business: it could receive valuable benefits by selecting a particular broker or dealer to execute client transactions and the transaction compensation charged by that broker or dealer might not be the lowest compensation the firm might otherwise be able to negotiate. In addition, the firm could have an incentive to cause clients to engage in more securities transactions than would otherwise be optimal in order to generate brokerage compensation with which to acquire products and services.

SNS’s use of soft dollars is intended to comply with the requirements of Section 28(e) of the Securities Exchange Act of 1934. Section 28(e) provides a “safe harbor” for investment managers who use commissions or transaction fees paid by their advised accounts to obtain investment research services that provide lawful and appropriate assistance to the manager in performing investment decision-making responsibilities. As required by Section 28(e), the firm will make a good faith determination that the amount of commission or other fees paid is reasonable in relation to the value of the brokerage and research services provided. That is, before placing orders with a particular broker, we generally determine, considering all factors described below, that the compensation to be paid to TD Ameritrade is reasonable in relation to the value of all the brokerage and research products and services provided by TD Ameritrade. In making this determination, we typically consider not only the particular transaction or transactions, and not only the value of brokerage and research services and products to a particular client, but also the value of those services and products in our performance of our overall responsibility to all of our clients. In some cases, the commissions or other transaction fees charged by a particular broker-dealer for a particular transaction or set of transactions may be greater than the amounts another broker-dealer who did not provide research services or products might charge.

### *Research and Brokerage Products and Services*

“Research” products and services we may receive from broker-dealers may include economic surveys, data, analyses; financial publications; recommendations or other information about particular companies and industries (through research reports and otherwise); and other products or services (e.g., computer services and equipment, including hardware, software, and data bases) that provide lawful and appropriate assistance to the firm in the performance of its investment decision-making responsibilities. Consistent with Section 28(e), brokerage products and services (beyond traditional execution services) consist primarily of computer services and software that permit us to effect securities transactions and perform functions incidental to transaction execution. We generally use such products and services in the conduct of our investment decision-making generally, not just for those accounts whose commissions may be considered to have been used to pay for the products or service.

### *Other Uses and Products*

SNS may use some products or services not only as “research” and as brokerage (i.e., to assist in making investment decisions for clients or to perform functions incidental to transaction execution) but for our administrative and other purposes as well. In these instances, we make a reasonable allocation of the cost of the products and services to that only the portion of the cost that is attributable to making investment decisions and executing transactions is paid with commission dollars and we bear the cost of the balance. Our interest in making such an allocation differs from clients’ interest, in that we have an incentive to designate as much as possible of the cost as research and brokerage in order to minimize the portion that the firm must pay directly.

### *Mutual Fund Transactions*

Although shares of no-load mutual funds can be purchased and redeemed without payment of transaction fees, we may, consistent with our duty of best execution, determine to cause client accounts to pay

## SNS Financial Group, LLC

transaction fees that may be higher than those obtainable from other broker-dealers when purchasing shares of certain no-load mutual funds through TD Ameritrade in order to obtain “research”. This research may not be used for the exclusive benefit of the clients who pay transaction fees in purchasing mutual fund shares.

### *Amount and Manner of Payment*

A broker-dealer through which the firm wishes to use soft dollars may establish “credits” arising out of brokerage business done in the past, which may be used to pay, or reimburse the firm for, specified expenses. In other cases, a broker-dealer may provide or pay for the service or product and suggest a level of future business that would fully compensate it. The actual level of transactional business the firm does with a particular broker-dealer during any period may be less than such suggested level, but may exceed that level and may generate unused soft dollar “credits.” We do not exclude a broker-dealer from receiving business simply because the broker-dealer has not been identified as providing soft dollar research products and services, although we may not be willing to pay the same commission to such broker-dealer as we would have paid had the broker-dealer provided such products and services.

You are advised that not all investment advisers require you to maintain accounts at a specific broker/dealer. You are advised you may maintain accounts at another broker/dealer. However, if you choose another broker/dealer the broker/dealer must be able to provide duplicate statements and confirmations to SNS, provide proficient online trading capabilities, provide prompt electronic account access for review purposes, and accept trade instructions from SNS. Further, you are advised SNS may not be able to achieve the most favorable execution of your transactions. Consequently, you may incur higher costs.

In initially selecting TD Ameritrade, SNS conducted due diligence. SNS’s evaluation and criteria includes:

- Ability to service you
- Staying power as a company
- Industry reputation
- Ability to report to you and to SNS
- Availability of an efficient trading platform
- Products and services available
- Technology resources
- Educational resources
- Execution capability
- Financial responsibility and viability
- Confidentiality and security of your information
- Responsiveness
- Other factors that may bear on the overall evaluation of best price and execution

You are advised there is an incentive for SNS and the Advisory Representatives to recommend a broker/dealer over another based on the products and services that will be received rather than your best interest.

SNS may aggregate (“bunch”) transactions in the same security on behalf of more than one client in an effort to strive for best execution and to possibly reduce the price per share and/or other costs to clients. However, aggregated or bunched orders will not reduce the transaction costs to participating clients. SNS conducts aggregated transactions in a manner designed to ensure that no participating client is favored over another client. Participating clients will obtain the average share price per share for the security executed that day. To the extent the aggregated order is not filled in its entirety, SNS a random letter generator associated with

## SNS Financial Group, LLC

the client's last name for each holding. Under certain circumstances, the amount of securities may be increased or decreased to avoid holding odd-lot or a small number of shares for particular clients.

### **Item 13 - REVIEW OF ACCOUNTS**

- A. If you are participating in the SNS Asset Management Program you will be invited to participate in at least an annual review. You may request more frequent reviews and may set thresholds for triggering events that would cause a review to take place. SNS will monitor for changes or shifts in the economy, changes to the management and structure of a security or company in which your assets are invested, and market shifts and corrections.

If you are participating in Financial Planning and Consulting Services you will not receive regular reviews. SNS recommends you have at least an annual review and update to any plans. However, the time and frequency of the reviews is solely your decision. Other than the initial plan or analysis, there will be no other reports issued.

The following individuals conduct reviews:

Brian Skolte, Chief Compliance Officer and Advisory Representative  
Todd Stueve, Advisory Representative  
Daniel Powers, Advisory Representative  
Tyler Schelhaas, Advisory Representative

- B. You are advised that you must notify your Advisory Representative promptly of any changes to your financial goals, objectives or financial situation as such changes may require him review the portfolio allocation and make recommendations for changes.
- C. You will be provided statements at least quarterly direct from the account custodian. Additionally, you will receive confirmations of all transactions occurring direct from the account custodian.

### **Item 14 - CLIENT REFERRALS AND OTHER COMPENSATION**

- A. As disclosed under Item 12. above, SNS participates in TD Ameritrade's institutional customer program and SNS may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between SNS's participation in the program and the investment advice it gives to its Clients, although SNS receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving SNS participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to SNS by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by SNS's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit SNS but may not benefit its Client accounts. These products or services

## SNS Financial Group, LLC

may assist SNS in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help SNS manage and further develop its business enterprise. The benefits received by SNS or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, SNS endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by SNS or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the SNS's choice of TD Ameritrade for custody and brokerage services.

SNS will benefit from trading errors in clients' accounts. Transactions executed by SNS in clients' accounts that result in an error made by SNS will be resolved in a way to not harm the client. Clients will not share in any loss as a result of a trading error executed by SNS. However, should the correction of the error result in a profit being made, the profit will be retained by SNS.

- B. SNS may receive client referrals from TD Ameritrade through its participation in TD Ameritrade AdvisorDirect. In addition to meeting the minimum eligibility criteria for participation in AdvisorDirect, SNS may have been selected to participate in AdvisorDirect based on the amount and profitability to TD Ameritrade of the assets in, and trades placed for, client accounts maintained with TD Ameritrade. TD Ameritrade is a discount broker-dealer independent of and unaffiliated with SNS and there is no employee or agency relationship between them. TD Ameritrade has established AdvisorDirect as a means of referring its brokerage customers and other investors seeking fee-based personal investment management services or financial planning services to independent investment advisors. TD Ameritrade does not supervise SNS and has no responsibility for SNS's management of client portfolios or SNS's other advice or services. SNS pays TD Ameritrade an on-going fee for each successful client referral. This fee is usually a percentage (not to exceed 25%) of the advisory fee that the client pays to SNS ("Solicitation Fee"). SNS will also pay TD Ameritrade the Solicitation Fee on any advisory fees received by SNS from any of a referred client's family members, including a spouse, child or any other immediate family member who resides with the referred client and hired SNS on the recommendation of such referred client. SNS will not charge clients referred through AdvisorDirect any fees or costs higher than its standard fee schedule offered to its clients or otherwise pass Solicitation Fees paid to TD Ameritrade to its clients. For information regarding additional or other fees paid directly or indirectly to TD Ameritrade, please refer to the TD Ameritrade AdvisorDirect Disclosure and Acknowledgement Form.

SNS's participation in AdvisorDirect raises potential conflicts of interest. TD Ameritrade will most likely refer clients through AdvisorDirect to investment advisors that encourage their clients to custody their assets at TD Ameritrade and whose client accounts are profitable to TD Ameritrade. Consequently, in order to obtain client referrals from TD Ameritrade, SNS may have an incentive to recommend to clients that the assets under management by SNS be held in custody with TD Ameritrade and to place transactions for client accounts with TD Ameritrade. In addition, SNS has agreed not to solicit clients referred to it through AdvisorDirect to transfer their accounts from TD Ameritrade or to establish brokerage or custody accounts at other custodians, except when its fiduciary duties require doing so. SNS's participation in AdvisorDirect does not diminish its duty to seek best execution of trades for client accounts.

SNS may enter into arrangements with individuals ("Solicitors") whereby the Solicitor will refer clients who may be a candidate for investment advisory services to SNS. In return, SNS will agree to compensate the Solicitor for the referral. Compensation to the Solicitor is dependent on the client entering into an advisory agreement with SNS for advisory services. Compensation to solicitor will be

## SNS Financial Group, LLC

an agreed upon percentage of SNS's advisory fee. SNS's referral program is in compliance with the federal regulations as set out in 17 CFR section 275.206(4)-3. The solicitation/referral fee is paid pursuant to a written agreement retained by both the investment adviser and the solicitor. The Solicitor will be required to provide the client with a copy of SNS's Form ADV Part II and a Solicitor Disclosure brochure prior to or at the time of entering into any investment advisory contract with SNS. Solicitor is not permitted to offer clients any investment advice on behalf of SNS. Clients' advisory fee will not be increased as a result of compensation being shared with Solicitor.

### **Item 15 - CUSTODY**

With the exception of deduction of SNS's advisory fees from your accounts, SNS does not take custody of your funds or securities.

Under government regulations, we are deemed to have custody of your assets if, for example, you authorize us to instruct your account custodian to deduct our advisory fees directly from your account or if you grant us authority to move your money to another person's account. Your account custodian maintains actual custody of your assets. You will receive account statements directly from your account custodian at least quarterly. They will be sent to the email or postal mailing address you provided. You should carefully review those statements promptly when you receive them.

### **Item 16 - INVESTMENT DISCRETION**

You may grant SNS authorization to manage your account on a discretionary basis. Discretionary authority will give SNS the authority to buy, sell, exchange, convert securities in your managed accounts. You will grant such authority to SNS by execution of the advisory agreement. You may terminate discretionary authorization at any time upon receipt of written notice by SNS.

Additionally, you are advised that:

- 1) You may set parameters with respect to when account should be rebalanced and set trading restrictions or limitations;
- 2) Your written consent is required to establish any brokerage account;
- 3) With the exception of deduction of SNS's advisory fees from the account, if you have authorized automatic deductions, SNS will not have the ability to withdraw funds or securities from your account.
- 4) Trading your own account may threaten SNS's management strategy and could result in SNS terminating its management services.

### **Item 17 - VOTING CLIENT SECURITIES**

SNS does not vote your securities. Unless you suppress proxies, securities proxies will be sent directly to you by the account custodian or transfer agent. You may contact SNS about questions you may have an opinions on how to vote the proxies. However, the voting and how you vote the proxies is solely your decision.

**Item 18 - FINANCIAL INFORMATION**

- A. SNS will not require you to prepay more than \$1,200 and six or more months in advance of receiving the advisory service.
- B. As stated above, SNS has discretionary authority over client accounts; however that authority does not extend to the withdrawal of any client assets, with the exception of deduction of SNS's advisory fees from your accounts. We are financially stable. There is no financial condition that is likely to impair our ability to meet our contract actual commitment to you or any other client.
- C. Neither SNS nor any of its Advisory Representatives has ever been the subject of a bankruptcy petition.

**Item 19 - REQUIREMENTS FOR STATE REGISTERED ADVISERS**

This section is not applicable to SNS. SNS is not state registered. SNS is registered with the Securities and Exchange Commission.