

**SNS Financial Group, LLC
and d/b/a Stone Summit Capital**

FORM ADV PART 2A

**SNS Financial Group
551 Coon Rapids Blvd
Coon Rapids, MN 55433
P: 763-421-5300**

March 25, 2015

This brochure provides information about the qualifications and business practices of SNS Financial Group, LLC and Stone Summit Capital, which operates as a DBA of SNS Financial Group, LLC. If you have any questions about the contents of this Brochure, please contact Joseph VanDam at (763) 421-5300 and/or jvandam@snsfg.com. You can also send mail to our main office at 551 Coon Rapids Blvd, Minneapolis, MN 55433. 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. The searchable IARD/CRD number for SNS Financial Group, LLC is 152667.

Any references to SNS Financial Group, LLC or Stone Summit Capital 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 21, 2014.

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 disclosure 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 Joseph VanDam at (763) 421-5300 and/or jvandam@snsfg.com. Additional information about Stone Summit Capital or SNS Financial Group, LLC is also available via the SEC's website 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.

Since our last annual update, we have made the following changes to our disclosure brochure:

- Our separate disclosure brochures for SNS Financial Group, LLC and SNS Financial Group, LLC d/b/a Stone Summit Capital have been merged into one disclosure brochure.
- Item 4 has been amended to include additional disclosure on our investment strategies and services. Specifically, we have changed disclosure to clarify the descriptions of our Absolute Theta, Strategic Portfolios, Capstone and Directional Credit Spreads strategies. We have added a description of our Global Tactical, Income Plus Strategy Suite, Sector Rotation, Essentials, Strategic Index, Tactical Index, Commission Free, Fixed Income, Concentrated Position and Portfolio Hedging, and Customized strategies. We removed the language regarding the Diversified Global, Income Plus, and Iron Condor strategies.
- Item 4 has also been amended to clarify that our Asset Management Programs are discretionary programs whereas our Investment Coaching, Asset Monitoring, and Investment Advisory Services are non-discretionary services. We have also added descriptions of our Coaching and SNS Private Client Services.
- Item 5 has been amended to include our policy on fee adjustments with respect to our asset-based fees. The language reads as follows: *Fee Adjustments for deposits or withdrawals over the \$75,000 threshold will be made during the following quarterly billing. If an account is closed and the fee is prorated, the fee will be reversed separately from the quarterly billing.* The following language was also added: *Cash balances are included in asset values for percentage based fee billing purposes. Clients are advised that some strategies may have large cash balances for extended periods.*

- Item 5 has also been amended to disclose that our investment adviser representatives operating under the d/b/a name Stone Summit Capital are compensated based on the asset management fees you pay. The language reads as follows:

Conflicts of Interest

Investment Advisors operating under the d/b/a name Stone Summit Capital are compensated based upon the asset management fees which you pay. Your adviser will receive thirty-five basis points (.35%) less in annual compensation for assets placed in SNS' asset management strategies described above than for assets not in one or more of those strategies, for assets above a certain threshold amount based upon all of the adviser's clients. This compensation formulation creates potential conflicts of interest. First, clients' fees may be set at a higher level at the outset of their relationship with SNS d/b/a Stone Summit Capital in order to reduce or neutralize any effect on the adviser's net compensation. If so, the adviser is incentivized to place enough clients' assets into the management strategies to avoid the financial impact to his compensation of not meeting the asset threshold, even when such a strategy might not be in a client's best interest. Second, even if the adviser has met the threshold, SNS could be incentivized to encourage your adviser to recommend that assets be placed in one or more of those strategies because it would retain more of the fee clients pay for advisory services. Finally, once the threshold is met, this compensation difference could create a conflict of interest because your adviser might be less inclined to advise a client to place his assets in one or more of those strategies than if his personal compensation were not affected, even if he believed such a strategy to be in the client's best interest.

- Item 5 has been amended to disclose that certain investment adviser representatives are licensed as insurance agents and/or receive referral fees for recommendations to purchase insurance products. The added language reads as follows:

Compensation for the Sale of Investment Products

Certain persons providing investment advice on behalf of our firm are licensed as independent insurance agents. These persons will earn commission-based compensation for selling insurance products, including insurance products they sell to you. Additionally, certain Principals of our firm have entered into a referral arrangement with an insurance agency whereby they will receive compensation for insurance and annuity referrals. Insurance commissions and referral fees earned by these persons are separate and in addition to our advisory fees. The recommendation of insurance products by these individuals presents a conflict of interest because these individuals have an incentive to recommend insurance products to you for the purpose of generating commissions and/or referral fees rather than solely based on your needs. You are under no obligation, contractually or otherwise, to purchase insurance products through any person affiliated with our firm.

- Item 5 has been amended to include disclosure that you will pay transaction fees in connection with the securities transactions in your account and that we do not share in any portion of these fees. We also included language disclosing that we reserve the right to prorate fees upon inception and termination of an account.
- Item 7 has been amended to clarify the exceptions to our policy on our minimum household size.
- Item 12 has been amended to disclose our use of third party execution services. The additional language reads as follows:

SNS may use third party execution services to liquidate and enter positions that are thinly traded. SNS may use these services in the course of discretionary management, without notifying the Client or identifying which trades were placed using these services. When trades are executed using these services a markup or markdown will be applied to the security, which will be passed on to the client in the form of a lower sale price or higher purchase price for the security or derivative being traded. In addition to the markup or markdown, the Client will also be charged normal ticket charges by the account custodian. SNS will only consider using these services when it is in the best interest of client to exit or enter a position at a better net price than we can obtain on the electronic market. SNS does not receive any compensation from trades placed through third party execution providers.

- Item 13 has been amended to add the following individuals as account reviewers:
Amy Pavlis, Advisory Representative
John Tenley, Advisory Representative

Item 3 Table Of Contents

Item 1 Cover Page	Page 1
Item 2 Material Changes	Page 2
Item 3 Table Of Contents	Page 5
Item 4 Advisory Business	Page 6
Item 5 Fees and Compensation	Page 12
Item 6 Performance-Based Fees and Side by Side Management	Page 16
Item 7 Types of Clients	Page 16
Item 8 Methods of Analysis, Investment Strategies and Risk of Loss	Page 16
Item 9 Disciplinary Information	Page 17
Item 10 Other Financial Industry Activities and Affiliations	Page 17
Item 11 Code of Ethics, Participation of Interest in Client Transactions and Personal Trading	Page 17
Item 12 Brokerage Practices	Page 18
Item 13 Review of Accounts	Page 20
Item 14 Client Referrals and Other Compensation	Page 21
Item 15 Custody	Page 23
Item 16 Investment Discretion	Page 23
Item 17 Voting Client Securities	Page 23
Item 18 Financial Information	Page 23
Item 19 Requirements for State Registered Advisers	Page 24

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. SNS also operates under the name Stone Summit Capital. SNS and Stone Summit may be used interchangeably in this document, with the exception of the "conflicts of interest" section in Item 5, which applies only to advisers operating under the Stone Summit Capital name.

A. SNS was established in December of 2009. Brian Skolte, Chief Executive Officer, and Todd Stueve, Chief Customer Officer, are founding members and owners of SNS. Additionally, Tyler Schelhaas, Chief Operating Officer; Daniel Powers, Chief Portfolio Manager; and Joseph VanDam, Chief Compliance Officer, are charter members and owners.

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

- SNS Asset Management Program (Discretionary Services)

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 (Non-Discretionary Services)

These services are offered to clients who want to have more of a role in managing their accounts. Clients participate in managing their portfolios with the help of periodic advice and/or ideas from SNS 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 in providing you with the requested services and to 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.

D. SNS does not participate in any wrap fee programs.

E. As of February 20, 2015 we have approximately \$206,593,574 of client assets under our discretionary management. SNS also has approximately \$199,085,590 of non-discretionary client assets under management.

F. SNS Strategies and Services

SNS investment advisors will use the information gathered from our investment policy statement questionnaire to guide the client into what investment strategy will best suit a client's goals and objectives. 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 and services to achieve a wide range of objectives and risk profiles. SNS will determine which of its model portfolios and/ or services 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 generally provides active asset management using individual equities, exchange traded funds (ETFs) and options. SNS has various investment strategies and services which are described below. SNS will develop and use other strategies from time to time, strategies that are developed and used widely within the firm will be updated annually in this brochure. Some strategies are customized for a specific client situation and will not be described fully in this brochure. Recommended minimums may be waived at the discretion of SNS Financial Group, only if SNS feels that the waiver is in the best interest of the client for the client situation and the client can fully participate in the intended experience of the offering with minimal expense impact.

SNS Asset Management Program (Discretionary Services)

The SNS Asset Management Program consists of various discretionary and proprietary trading models. Not all strategies will be suitable for every client, therefore you should speak with an SNS adviser to determine suitability and to obtain more information about these services.

Absolute Theta: This is a global equity strategy that incorporates a tactical options overlay. The result is a unique investment strategy that can mitigate some of the volatility associated with equity investing. This is accomplished by tactically switching between writing out of the money call options against underlying positions during periods of perceived strength and by shifting our short call option deltas, or collaring underlying positions (partial or full collars), or both in times of perceived weakness. More complex options strategies may be utilized periodically, if they provide a more attractive risk reward profile in line with strategy objectives. The asset allocation and options strategies used will be made at SNS' discretion. This strategy is offered in conjunction with Fixed Income and Sector Rotation to create 5 distinct models: Absolute Theta 40/60, Absolute Theta 60/40, Absolute Theta 80/20, Absolute Theta Global Core and Absolute Theta Global Core w/Sector Rotation. The recommended investment minimum for Absolute Theta Core is \$150,000.

Capstone: Investment capital is strategically allocated across multiple asset classes including Global Equities, Real Estate and Commodities. In order to manage the risks associated with those asset classes this strategy uses dynamic hedging (changing) of the asset allocation. Dynamic Hedging is designed to identify major changes in the trend of a particular asset class. The Dynamic Hedging process either increase or decreases overall investment exposure to a specific asset class or classes, depending of the direction of the trend. Dynamic hedging, portfolio holdings, and portfolio rebalancing will be performed at SNS' discretion. In addition to dynamic hedging, this strategy also implements a call option writing strategy over many of the Exchange Traded Funds (ETF's) in the portfolio. The objective of writing options is to provide additional yield, and/or hedging to the portfolio. Call 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 SNS' discretion. Capstone also includes a Sector Rotation Strategy component to the overall allocation. This strategy is offered in conjunctions with Fixed Income to create 4 distinct models: Capstone 40/60, Capstone 60/40, Capstone 80/20 and Capstone Core. The recommended investment minimum for Capstone is \$300,000.

Global Tactical: This strategy seeks out highly tactical investment opportunities across multiple asset classes including: domestic equities, international developed equities, emerging market equities, fixed income, real estate, and commodities and cash. Exchange Trade Funds are used as the primary type of investment vehicle for this strategy. Global Tactical risk management methodology is heavily quantitative, however, final investment decisions are left to the discretion of the portfolio management team. Due to the tactical nature of this strategy the risk profile of the asset allocation will vary greatly over time and may hold high levels of cash over extended periods. Clients should be aware that, at times, this portfolio will be heavily weighted in one or more asset classes, including heavy weightings in real estate or commodities. As a result of high turnover, this strategy is not tax efficient. This strategy is offered in conjunctions with Fixed Income and Sector Rotation to create 6 distinct models: Global Tactical 40/60, Global Tactical 60/40, Global Tactical 80/20, Global Tactical w/Sector Rotation 50/50 and Global Tactical w/Sector Rotation 75/25. The recommended minimum investment for this strategy is \$100,000.

Income Plus Strategy Suite: These strategies seek yield primarily through investing in high dividend paying stocks. The strategy may also incorporate other high yielding asset classes such as Real Estate Investment Trust (REIT's), Master Limited Partnerships (MLP's), Fixed Income, and Preferred Stocks. The primary investment vehicles used are large cap stocks that pay a dividend higher than the large cap average. The portfolio management screens stocks based on a variety of fundamental factors including, but not limited to, P/E Ratio, Dividend Growth Rate, and Price Momentum. In addition to dividend and interest income this strategy sells/writes call options against most of the common stock positions. The goal of call writing is to increase yield and potentially add some volatility protection during declines in underlying position value. Calls will generally be sold 60-120 days to expiration. The underlying holdings, options strike price, and contract month will be determined at SNS' discretion. Income Plus is offered in 3 portfolios: Income Plus - Series 1, Income Plus - Series 2, and Income Plus Select. The multiple offerings are designed to accommodate accounts of different sizes. Income Plus Series 1 & 2 are unique allocations and Income Plus Select combines both Series 1 & 2 into one portfolio. See recommended investment minimums below.

Income Plus - Series 1	\$100,000
Income Plus - Series 2	\$225,000
Income Plus - Select	\$500,000

Sector Rotation: This strategy seeks to generate superior risk adjusted returns relative to the S&P 500. A few of the leading or lagging sectors or industries inside the S&P 500 are selected for investment at any given time. The security selection methodology is heavily quantitative and seeks to identify sectors and industries that exhibit either strong positive momentum or anti momentum. SNS may use discretion to reject or accept holding changes identified by predetermined methods. SNS Sector Rotation is offered as a standalone strategy or incorporated with other SNS Strategies. The recommended investment minimum for Sector Rotation is \$45,000.

Strategic Portfolios: These strategies provide investors with a low cost way to gain exposure to global equity, fixed income, and alternative investments by investing in low cost Exchange Traded Funds. SNS offers 2 different strategic portfolios. These are Strategic Core and Essentials. Strategic Core's investment universe is limited to traditional asset classes. These include US Equities, International Equities and Fixed Income. Essentials refers to "Essential Portfolio Theory" which builds upon the traditional asset class investment universe by including Real Estate, Commodities and Alternative investments. Both Strategic Core and Essentials are offered in conjunctions with Fixed Income to create 4 models with the following risk profiles; Conservative, Moderate, Growth, and Aggressive. Both of these strategies attempt to be tax efficient by having an investment objective of low investment turnover. While tax efficiency is a priority it is not the only criteria considered when determining portfolio holdings. Investment minimum for Strategic Core & Essentials is \$50,000 and \$100,000 respectively.

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 research to identify potential market trends. After review the quantitative research the portfolio management team ultimately has the decision on the portfolio holdings. 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. This is a satellite strategy that is designed to have low correlation to the US Equities. The recommended minimum investment for Directional Credit Spreads is \$15,000.

Strategic Index: To accommodate some of the limitations with investing small dollar value accounts, this strategy holds only a few mostly static securities that provide broad exposure to major asset classes. This strategy experiences the tax efficient nature of investing in Exchange Traded Funds (ETF's) and low investment turnover in the portfolios. The investment minimum for the Strategic Index Strategy is \$2,000.

Tactical Index: To accommodate some of the limitations with investing small dollar value accounts, this strategy seeks to invest in Exchange Traded Funds (ETF's) that use a tactical investment approach. Investing directly in ETF's that are tactical removes some of the burden of ticket charges as positions are bought and sold inside the fund. The investment minimum for the Tactical Index Strategy is \$2,000.

Commission Free Strategy: This strategy uses only ETF's and Mutual Funds that have no ticket charges or commissions charged by the account Custodian. It is designed for clients that are regularly contributing to their account and want to remain invested without incurring heavy trading fees. SNS Financial Group, LLC has no control over the funds that are included on the Custodians commission free list and from time to time the Custodian may make changes to this list. Also, ticket charges may be assessed to an account if a security is sold before the minimum holding period has passed. The strategy will attempt to mitigate the

occurrence of ticket charges, however they may be incurred due to descriptions or client requested liquidations. The asset allocation of this portfolio is a globally diversified strategic portfolio and is designed to give broad market exposure to the global financial markets. Strategy holdings and account rebalancing will be at the discretion of the portfolio management team. The investment minimum for the Commission Free Strategy is \$2,000.

Fixed Income: These allocation are designed to be paired with the other SNS Models to accommodate varied risk profiles. However, it can be implemented as a standalone model at SNS' discretion. Exchange Traded Funds and Mutual Funds can be used as the investment vehicles. The primary objective is to provide Clients with stability and yield. This is accomplished by incorporating broad fixed income market Funds at the core of the strategy and using sector specific funds to overweight segments of the fixed income market that show signs of outperformance.

Concentrated Position and Portfolio Hedging: For clients that have concentrated positions in a small number of securities, SNS offers this service to develop a custom option overlay. This could include a custom call writing strategy for clients who want the potential for more yield from their portfolio, or a hedging strategy for clients looking manage risk. Once an overlay strategy is determined, SNS will manage the overlay on a discretionary basis. While SNS tries to monitor and mitigate the risk of selling underlying securities, we cannot guarantee that underlying positions will not be sold due to assignment. Clients are advised that using options may result in the (sale) of underlying position. Clients with low cost basis in concentrated positions should be aware the sale of underlying securities may result in capital gains tax liability. The recommended investment minimum is \$250,000 per position. Exceptions to the minimum can be made on a case by case basis.

Customized Strategies: At times SNS may customize strategies for individual clients. Typically these strategies are based on one of the previously mentioned discretionary offerings. The intent of these customized strategies are to accommodate a client specific trading restriction or objective. When a customized strategy is similar to a widely used strategy the holdings are traded, rebalanced, allocated, and analyzed alongside (at the same time as) the more widely used strategy.

SNS will provide continuous and ongoing management of your account if it is in the Asset Management Program. For these services SNS will manage the account on a discretionary basis and make changes to the allocations and strategy parameters 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. Option positions may be allowed to be assigned or exercised without prior notice. Discretionary authority will be granted by you to SNS through execution of the Advisory Agreement.

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 (Non-Discretionary Services)

These services are more suitable for investors who do not want active asset management but need 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. The specific services offered under this relationship are described below. This service is typically suited for several 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 non-discretionary strategy can be implemented by SNS, if it is approved by the client in this situation.
3. Clients who do not want to give SNS discretionary oversight, but who wish to speak with an adviser about changes to allocations of existing assets or to create an allocation for a financial account.

Coaching: SNS offers a coaching services to clients who are actively managing their own account but want to partner with a professional financial advisor to help them analyze potential change to their portfolio. In addition to analyzing underlying positions this service can help clients that are incorporating options or learning to incorporate option into their investment plan by having an SNS Advisor to talk through the potential benefits and drawbacks option trades. Clients are contacted by their Advisor on a predetermined schedule to help refine their investment approach. The Coaching Service is offered only at the availability of a qualified Advisor. From time to time new clients may not have access to the service, if the all qualified Advisors have a full schedule. The recommended minimum asset level for this service is \$500,000.

SNS Private Client Service: This service is designed for high net worth clients that want to work closely with a financial advisor to meet their specific investment needs. Clients will receive specific portfolio allocation recommendations based on their investment goals and risk tolerance. This service is geared toward long-term investors who want to make portfolio adjustments over time. The Client remains in control of their portfolio through this non-discretionary offering and ultimately chooses to accept or reject proposed changes. The recommended minimum assets utilized in this service across multiple accounts in a household is \$500,000, however, SNS may accept clients with lower amounts depending upon the total assets invested in other strategies or services with SNS.

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 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.

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

Percentage Fee Based on the Value of the Account

A. Generally clients will be charged a percentage based fee for assets under management. 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 a financial account during a calendar quarter, unless the deposit or withdrawal in a single financial account is at least \$75,000 or more based on an aggregate of transactions in that account during a quarter. Furthermore, there will be no fee adjustments for account appreciation or depreciation. Fee Adjustments for deposits or withdrawals over the \$75,000 threshold will be made during the following quarterly billing. If an account is closed, and the fee is prorated, the fee will be reversed separately from the quarterly billing.

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 the maximum annual fee. Cash balances are included in asset values for percentage based fee billing purposes. Clients are advised that some strategies may have large cash balances for extended periods.

Alternatively, clients receiving multiple services such as asset management, investment coaching, and/or financial planning services can be charged a fixed fee at SNS' discretion. (see Fixed Annual Fee section below).

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, or a separate invoice if the fee is not billed to your account. 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.

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.

Conflicts of Interest

Investment Advisors operating under the d/b/a name Stone Summit Capital are compensated based upon the asset management fees which you pay. Your adviser will receive thirty-five basis points (.35%) less in annual compensation for assets placed in SNS' asset management strategies described above than for assets not in one or more of those strategies, for assets above a certain threshold amount based upon all of the adviser's clients. This compensation formulation creates potential conflicts of interest. First, clients' fees may be set at a higher level at the outset of their relationship with SNS d/b/a Stone Summit Capital in order to reduce or neutralize any effect on the adviser's net compensation. If so, the adviser is incentivized to place enough clients' assets into the management strategies to avoid the financial impact to his compensation of not meeting the asset threshold, even when such a strategy might not be in a client's best interest. Second, even if the adviser has met the threshold, SNS could be incentivized to encourage your adviser to recommend that assets be placed in one or more of those strategies because it would retain more of the fee clients pay for advisory services. Finally, once the threshold is met, this compensation difference could create a conflict of

interest because your adviser might be less inclined to advise a client to place his assets in one or more of those strategies than if his personal compensation were not affected, even if he believed such a strategy to be in the client's best interest.

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.

Fixed Annual Fee

A. For clients who wish to participate in multiple services, or who have complex situations, clients can be charged a quarterly fixed 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.

B. 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

C. 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, however SNS reserves the right to prorate fees upon inception and termination of the account. If fees are prorated, SNS will divide the quarterly fee by the number of days remaining in the quarter to determine a refund or inception billing amount.

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.

Fixed Planning Fee Schedule

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.

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.

Fee Type	Maximum Fee	Payable
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.

Compensation for the Sale of Investment Products

Certain persons providing investment advice on behalf of our firm are licensed as independent insurance agents. These persons will earn commission-based compensation for selling insurance products, including insurance products they sell to you. Additionally, certain Principals of our firm have entered into a referral arrangement with an insurance agency whereby they will receive compensation for insurance and annuity referrals. Insurance commissions and referral fees earned by these persons are separate and in addition to our advisory fees. The recommendation of insurance products by these individuals presents a conflict of interest because these individuals have an incentive to recommend insurance products to you for the purpose of generating commissions and/or referral fees rather than solely based on your needs. You are under no obligation, contractually or otherwise, to purchase insurance products through any person affiliated with our firm.

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 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, you have other accounts under management with SNS, or if the account size for strategies will be able to provide the intended experience. Strategy selection will be limited for smaller households and financial accounts. 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 ticket charges, position sizing, uncovered positions in option strategies, fluctuations in the market may affect smaller accounts more, and the effects of compounding may be greater in larger accounts. Additionally financial accounts under \$50,000 may find most 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, warranty 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' 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' 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' Code of Ethics establishes SNS' 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 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' 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 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' 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 the client's last name for each holding. Under certain circumstances, the amount of securities maybe increased or decreased to avoid holding odd-lot or a small number of shares for particular clients.

SNS may use third party execution services to liquidate and enter positions that are thinly traded. SNS may use these services in the course of discretionary management, without notifying the Client or identifying which trades were placed using these services. When trades are executed using these services a markup or markdown will be applied to the security, which will be passed on to the client in the form of a lower sale price or higher purchase price for the security or derivative being traded. In addition to the markup or markdown, the Client will also be charged normal ticket charges by the account custodian. SNS will only consider using these services when it is in the best interest of client to exit or enter a position at a better net price than we can obtain on the electronic market. SNS does not receive any compensation from trades placed through third party execution providers.

Item 13 Review of Accounts

A. If you are participating in the SNS Asset Management Program or Investment Coaching, Asset Monitoring, and Investment Advisory services 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 Executive Officer, Advisory Representative
 Todd Stueve, Chief Customer Officer, Advisory Representative
 Daniel Powers, Chief Portfolio Manager, Advisory Representative

Tyler Schelhaas, Chief Operating Officer, Advisory Representative
Jonathan Held, Advisory Representative
Joseph VanDam, Chief Compliance and Financial Officer, Advisory Representative
Brian Waters, Advisory Representative
Travis Hilsabeck, Advisory Representative
William Fondell, Advisory Representative
Amy Pavlis, Advisory Representative
John Tenley, 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' 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' 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 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' 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' management of client portfolios or SNS' 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' 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' 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 an agreed upon percentage of SNS' advisory fee. SNS' 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' 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.

C. As disclosed under the *Fees and Compensation* section in this brochure, certain persons providing investment advice on behalf of our firm are licensed insurance agents and/or receive referral fees for recommendations to purchase insurance products. For information on the conflicts of interest this presents, and how we address these conflicts, please refer to the *Fees and Compensation* section.

Item 15 Custody

With the exception of deduction of SNS' 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' 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' 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' 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.