

IFS Advisory, LLC

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Investment Advisory Brochure (“ADV Part 2A”)

September 25, 2015

This Brochure provides information about the qualifications and business practices of IFS Advisory, LLC (“Advisor”). If you have any questions about the contents of this Brochure, please contact us at (404) 382-5223. 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.

IFS Advisory, LLC is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser. Additional information about IFS Advisory, LLC also is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

This Brochure dated January 23, 2015 is an amended version of the Brochure dated March 28, 2014. The current Brochure has been amended as required by regulations and to provide additional clarity to information previously provided. Since the date of the last updating amendment, two material change have taken place.

- Jervis Hough has assumed the position of Chief Compliance Officer for IFS Advisory, LLC in April 2014.
- IFS Advisory, LLC launched a private fund, the San Blas Fund, LP (hereinafter, the “Fund”). The private fund will only be available to a limited number of investors who are able to bear the risk of an investment in the Fund and who meet the requirements set forth in the Fund’s offering documents. This Brochure includes general information about the Fund. A complete description of the Fund’s investment strategy, risks, management, conflicts of interest, and other required disclosures are detailed in the Fund’s Private Placement Memorandum.

This Item will discuss only specific material changes that are made to the Brochure and provide clients with a summary of such changes. We will also reference the date of our last annual update of our brochure. We may further provide other ongoing disclosure information about material changes as necessary. We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested from Jervis Hough, Chief Compliance Officer, at (404) 382-5223 or jervis.hough@ifssecurities.com.

Additional information about IFS Advisory, LLC is also available via the web site www.adviserinfo.sec.gov. The web site also provides information about any persons affiliated with IFS Advisory, LLC who are registered, or are required to be registered, as investment adviser representatives of IFS Advisory, LLC.

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Item 4 – Advisory Business

IFS Advisory, LLC is an investment advisory firm registered with the Securities & Exchange Commission that commenced providing investment advisory services and investment advice in 2009. The firm is principally owned by Alexys McKenzie and Joquinn Sadler. As of December 31, 2014, the firm managed assets totaling \$54,458,204, of which \$36,885,443 is currently managed on a discretionary basis and \$17,572,761 is managed on a non-discretionary basis. The following paragraphs provide a description of the programs and services offered by IFS Advisory, LLC.

PORTFOLIO MANAGEMENT PROGRAMS

The following Portfolio Management Programs are programs where the Client's assets are managed by the Advisor, meaning that the Advisor recommends and/or selects securities for which the Client's assets are invested. As discussed below under each program, assets are either managed on a discretionary and/or non-discretionary basis.

In choosing among the different Portfolio Management Programs, the Client should be aware of the key differences in the programs. First, Client assets in the Ambassador Program and Opportunity Program are required to be custodied at Raymond James & Associates, while Client assets in the Select Account Program are required to be custodied at Sterne, Agee & Leach. Second, the minimum account size for participating in each of the respective programs varies. The Ambassador and Select Account Programs require an asset minimum of \$50,000 each, while the Opportunity Program requires an asset minimum of \$25,000. Fourth, as discussed in more detail in Item 5, the fee schedule varies in that the Opportunity Program is based on a tiered schedule based on types of investments and the Ambassador and Select Account Programs are based on a tiered schedule regardless of the types of investments. Fifth, the scale ranges between the Ambassador, Opportunity, and Select Account Programs diverge as to what is the maximum percentage of assets under management that may be charged (see Item 5 for more details.). Sixth, the Ambassador Program allows for unlimited transactions with no transactional cost, while each transaction under the Opportunity and Select Programs are potentially subject to a transactional charge.

Ambassador Program

The Ambassador Program is a fee-based program offering portfolio reviews and recommendations to Clients. Accounts managed by the Advisor may be invested in a wide range of securities including mutual funds, exchange traded funds, individual equities, fixed income securities, and many more. The minimum investment amount is \$50,000 in assets.

Under this program, the Advisor will obtain pertinent information concerning the Client such as financial condition, investment objectives, tax status, and general risk characteristics. The information may be collected by the Advisor through investor profiles, account forms completed by the Client, and/or through communication with the Client. On the basis of this information, the Advisor will tailor the advisory services to the needs of the Client. The Advisor will utilize various securities to implement the customized portfolio. Client reserves the right to impose restrictions or guidelines on the management of the Client's assets, including any limitations on the purchase or sale of particular securities or types of securities.

The Advisor can manage the assets on a discretionary basis, thereby allowing the Advisor to determine what securities and investments are to be bought or sold, the amount of transactions, and the timing of transactions, or on a non-discretionary basis where the Advisor will provide recommendations to the Client and the Client has ultimate authority for the approval of such transactions. All accounts are required to be maintained through the Advisor's affiliated broker/dealer, IFS Securities, at Raymond James & Associates.

Clients will receive account statements from Raymond James & Associates no less than quarterly concerning all transactions, balances, and portfolio holdings within their account.

Opportunity Program

The Opportunity Program is a fee-based program offering portfolio reviews and recommendations to Clients. Accounts managed by the Advisor may be invested in a wide range of securities including mutual funds, exchange traded funds, individual equities, fixed income securities, and many more. The minimum investment amount is \$25,000 in assets. All accounts are required to be maintained through IFS Securities at Raymond James & Associates.

Under this program, the Advisor will obtain pertinent information concerning the Client such as financial condition, investment objectives, tax status, and general risk characteristics. The information may be collected by the Advisor through investor profiles, account forms completed by the Client, and/or through communication with the Client. On the basis of this information, the Advisor will tailor the advisory services to the needs of the Client. The Advisor will utilize various securities to implement the customized portfolio. Client reserves the right to impose restrictions or guidelines on the management of the Client's assets, including any limitations on the purchase or sale of particular securities or types of securities.

The Advisor can manage the assets on a discretionary basis, thereby allowing the Advisor to determine what securities and investments are to be bought or sold, the amount of transactions, and the timing of transactions, or on a non-discretionary basis where the Advisor will provide recommendations to the Client and the Client has ultimate authority for the approval of such transactions. All accounts are required to be maintained through the Advisor's affiliated broker/dealer, IFS Securities, at Raymond James & Associates. All accounts are required to be maintained through the Advisor's affiliated broker/dealer, IFS Securities, at Raymond James & Associates.

Clients will receive account statements from Raymond James & Associates no less than quarterly concerning all transactions, balances, and portfolio holdings within their account.

Select Account Program

The Select Account Program is a fee-based program offering investment management services and continuous advice to Clients. Accounts managed by the Advisor may be invested in a wide range of securities including mutual funds, exchange traded funds, individual equities, fixed income securities, and many more. The minimum investment amount is \$50,000 in assets.

Under this program, the Advisor will obtain pertinent information concerning the Client such as financial condition, investment objectives, tax status, and general risk characteristics. The information may be collected by the Advisor through investor profiles, account forms completed by the Client, and through communication with the Client. On the basis of this information, the Advisor will tailor the advisory services to the needs of the Client. The Advisor will utilize various securities to implement the customized portfolio. Client reserves the right to impose restrictions or guidelines on the management of the Client's assets, including any limitations on the purchase or sale of particular securities or types of securities.

The Advisor can manage the assets on a discretionary basis, thereby allowing the Advisor to determine what securities and investments are to be bought or sold, the amount of transactions, and the timing of transactions, or on a non-discretionary basis where the Advisor will provide recommendations to the Client and the Client has ultimate authority for the approval of such transactions. All accounts are required to be maintained through the Advisor's affiliated broker/dealer, IFS Securities at Sterne, Agee & Leach.

Clients will receive account statements from Sterne, Agee & Leach no less than quarterly concerning all transactions, balances and portfolio holdings within their account.

TURNKEY ASSET MANAGEMENT PROGRAMS

The following Turnkey Asset Management Programs are programs where the Client's assets are managed by a money manager (i.e. a third party money manager). The money manager selects securities for which the Client's assets are invested. Prior to referring any Client to a third party advisor, IFS Advisory, LLC assures the Department of Corporations that such third party advisors are licensed or noticed filed in the State Department of Corporations.

In choosing among the different Turnkey Asset Management Programs, the Client should be aware of the key differences in the programs. First, all programs except the Advisor Choice Program require Client's assets to be custodied at Raymond James & Associates. Client assets for the Advisor Choice Program will be custodied at a firm of the money managers' choosing, unless the Advisor has the authority to select such custodian. Second, the minimum account size for participating in each of the respective programs varies. The program and its asset minimum are as follows: Russell Model Strategies Program (\$50,000), Freedom Account Program (\$50,000), Raymond James Consulting Services Program (\$100,000 is required for equity and balanced accounts and \$200,000 for fixed income accounts), Outside Money Manager Program (\$100,000), Freedom Unified Managed Account Program (\$300,000 is required, with the exclusion of Conservative and Aggressive Strategies, which requires a minimum investment amount of \$600,000), the Advisor Choice Program (no stated minimum although the third party manager may impose a minimum). Third, the strategies employed and types of securities utilized vary among the various programs. Fourth, the fee schedules, as discussed in Item 5, for the various programs vary based on asset amounts, strategy types, and negotiations.

Russell Model Strategies Program

The Russell Model Strategies Program offers Clients a fee-based program that utilizes the expertise and knowledge of the Asset Management Services division of Raymond James in selecting mutual funds of the Frank Russell Investment Company. A \$50,000 minimum investment amount is required.

The program currently offers the following Model Strategies: Conservative, Moderate, Growth, Equity Growth, and Balanced. The strategies primarily differ in the allocation of the Client's funds among fixed income and equity mutual funds. To initiate the process, the Client will complete Client Information and Profile information. On the basis of this information, the Advisor will assist the Client in the selection of an appropriate strategy to meet the needs of the Client. Individual portfolios are determined independent of the Client's financial situation by the Asset Management Services division of Raymond James. Client reserves the right to impose restrictions or guidelines on the management of the Client's assets, including any limitations on the purchase or sale of particular securities or types of securities if permitted by the Asset Management Services division of Raymond James. For more information on the ability of a Client to impose restrictions, refer to the ADV Part 2A or other information provided by Raymond James.

Under this program, the Client agrees to delegate discretionary authority to the Asset Management Services division of Raymond James & Associates. Raymond James & Associates will have discretionary authority to invest and reinvest the Client assets in Frank Russell Investment Company no-load mutual funds pursuant to the Model Strategy selected. This does not provide Advisor or Asset Management Services the ability to withdraw monies or securities unless otherwise agreed to by the Client. All accounts are required to be maintained through the Advisor's affiliated broker/dealer, IFS Securities, at Raymond James & Associates.

Clients will receive account statements from Raymond James & Associates no less than quarterly concerning all transactions, balances, and portfolio holdings within their account.

Freedom Account Program

The Freedom Account Program is a fee-based program offering Clients an opportunity to utilize the expertise and knowledge of the Asset Management Services division of Raymond James in the investment of mutual funds and exchange-traded funds. The program is an asset allocation program in which Raymond James selects appropriate funds and monitors their performance on a continuous basis. Raymond James will annually rebalance the Client's account, based on the anniversary date of its establishment, if the Client's asset allocation differs beyond predetermined percentages. A minimum investment amount of \$50,000 is required for all strategies, excluding the Retirement Income Solution, in which case the minimum is \$100,000.

Clients have the opportunity to invest among a variety of strategies. Among the strategies currently available are: Aggressive Equity, Growth Equity, Balanced with Growth, Balanced, Conservative Balanced, Global Equity, High Income, Conservative, and Early, Mid and Senior Retirement Income Solutions. The Advisor will assist the Client in the selection of appropriate strategies based on information completed and discussions between the Advisor and Client. It is ultimately the responsibility of the Client to choose the most appropriate strategy to meet their objectives, needs, and risk tolerance. To initiate the process, the Client will complete a Client Information and Profile form. On the basis of this information, the Advisor will assist the Client in the selection of an appropriate strategy to meet the needs of the Client. Individual portfolios are determined independent of the Client's financial situation by the Asset Management Services division of Raymond James. Client reserves the right to impose restrictions or guidelines on the management of the Client's assets, including any limitations on the purchase or sale of particular securities or types of securities if permitted by the Asset Management Services division of Raymond James. For more information on the ability of a Client to impose restrictions, refer to the ADV Part 2A or other information provided by Raymond James.

Under this program, the Client agrees to delegate discretionary authority to the Asset Management Services division of Raymond James & Associates. Raymond James & Associates will have discretionary authority to select securities, allocate assets, and determine the timing and amounts of securities transactions. This does not provide Advisor or Asset Management Services the ability to withdraw monies or securities unless otherwise agreed to by the Client. All accounts are required to be maintained through the Advisor's affiliated broker/dealer, IFS Securities, at Raymond James & Associates.

, Clients will receive account statements from Raymond James & Associates no less than quarterly concerning all transactions, balances, and portfolio holdings within their account.

Raymond James Consulting Services Program

The Raymond James Consulting Services Program, offered through Raymond James Consulting Services, a division of Raymond James & Associates, is a program designed for Clients to select among many money managers with different investment disciplines among various asset classes. A minimum investment of \$100,000 is required for equity and balanced accounts and \$200,000 for fixed income accounts.

Clients have the opportunity to invest among a variety of model classes. Among the model classes offered are ones with equity, balanced, convertible, fixed income, and short term convertible fixed income objectives. The Advisor will assist the Client in the selection of appropriate investment managers based on information completed and discussions between the Advisor and Client. It is ultimately the responsibility of the Client to choose the most appropriate strategy to meet their objectives, needs, and risk tolerance. To initiate the process, the Client will complete a Client Information and Profile form. On the basis of this information, the Advisor will assist the Client in the selection of an appropriate money manager(s) whose strategy to meet the needs of the Client. Individual portfolios are determined independent of the Client's

financial situation by Raymond James Consulting Services. Client reserves the right to impose restrictions or guidelines on the management of the Client's assets, including any limitations on the purchase or sale of particular securities or types of securities if permitted by the Raymond James Consulting Services division of Raymond James. For more information on the ability of a Client to impose restrictions, refer to the ADV Part 2A or other information provided or available from Raymond James.

Under this program, the Client agrees to delegate discretionary authority to investment managers managing Client Assets. Such discretion will give the investment manager the ability to select securities, allocate assets, and determine the timing and amounts of securities transactions. This does not provide Advisor, Raymond James Consulting Services, or the investment manager the ability to withdraw monies or securities unless otherwise agreed to by the Client. All accounts are required to be maintained through the Advisor's affiliated broker/dealer, IFS Securities, at Raymond James & Associates.

Clients will receive account statements from Raymond James & Associates no less than quarterly concerning all transactions, balances, and portfolio holdings within their account.

Outside Money Manager Program

The Outside Money Manager Program, offered through Raymond James Consulting Services, a division of Raymond James & Associates, is a program designed for Clients to maintain their existing relationship with a money manager they have used in the past. The purpose of this program is to maintain the stability of the Client's relationship with an existing money manager in the event their representative has changed affiliations with registered firms. The minimum investment amount is \$100,000 for all equity and balanced accounts and \$200,000 for most fixed income accounts.

Under this program the Client agrees to provide discretionary authority to the Outside Money Manager, who is the money manager they have used in the past. Such discretion will give the investment manager the ability to select securities, allocate assets, and determine the timing and amounts of securities transactions. This does not provide Advisor, Raymond James Consulting Services, or the investment manager the ability to withdraw monies or securities unless otherwise agreed to by the Client. All accounts are required to be maintained through the Advisor's affiliated broker/dealer, IFS Securities, at Raymond James & Associates. Individual portfolios are determined independent of the Client's financial situation by the outside money manager. Client reserves the right to impose restrictions or guidelines on the management of the Client's assets, including any limitations on the purchase or sale of particular securities or types of securities if permitted by the Outside Money Manager. For more information on the ability of a Client to impose restrictions, refer to the ADV Part 2A or other information provided by the money manager.

Clients will receive account statements from Raymond James & Associates no less than quarterly concerning all transactions, balances, and portfolio holdings within their account.

Freedom Unified Managed Account Program

The Freedom Unified Managed Account Program is a fee-based program offering Clients an opportunity to utilize the expertise and knowledge of the various money managers in one account. The program is an asset allocation program in which the Asset Management Services division of Raymond James develops strategies and respective asset allocations and selects money managers who participate in the program. The Advisor will assist the Client in the selection of money managers. A minimum investment amount of \$300,000 is required, with the exception of Conservative and Aggressive Strategies which requires a minimum investment amount of \$600,000.

Clients have the opportunity to invest among a variety of strategies. Among the strategies currently available are: Growth and Aggressive, Balanced with Growth, Balanced, Conservative Balanced, and Equity Income. To initiate the process, the Client will complete Client Information and Profile information. On the basis of

this information, the Advisor will assist the Client in the selection of an appropriate strategy.

Under this program, the Client agrees to delegate discretionary authority to the Asset Management Services division of Raymond James & Associates. Raymond James & Associates will have discretionary authority to select managers in accordance to the strategies selected by the Client. This does not provide Advisor, Asset Management Services, or the investment manager the ability to withdraw monies or securities unless otherwise agreed to by the Client. All accounts are required to be maintained through the Advisor's affiliated broker/dealer, IFS Securities, at Raymond James & Associates.

On the basis of this information, the Advisor will assist the Client in the selection of an appropriate strategy to meet the needs of the Client. Individual portfolios are determined independent of the Client's financial situation by the money manager. Client reserves the right to impose restrictions or guidelines on the management of the Client's assets, including any limitations on the purchase or sale of particular securities or types of securities subject to the terms and conditions imposed by which the Asset Management Services division of Raymond James and the money manager. For more information on the ability of a Client to impose restrictions, refer to the ADV Part 2A of Raymond James or other information provided by the money manager.

Clients will receive account statements from Raymond James & Associates no less than quarterly concerning all transactions, balances, and portfolio holdings within their account.

Advisor Choice Program

The Advisor Choice Program offers Clients the opportunity to utilize various money managers in managing all or a portion of their assets. The managers are selected by the Advisor, unless the Advisor and Client have mutually agreed otherwise. Client assets will be custodied at a firm of the money manager's choosing, unless the Advisor has the authority to select such custodian. A minimum investment may be required by the money manager. At this time, no minimum investment is required by the Advisor.

Under this program, the Advisor will obtain pertinent information concerning the Client such as financial condition, investment objectives, tax status, and general risk characteristics. The information may be collected by the Advisor through investor profiles, account forms completed by the Client, and through communication with the Client. The Advisor will select money managers whose investment philosophy, style, and discipline are commiserate with information obtained from the Client to meet the needs of the Client. Individual portfolios are determined independent of the Client's financial situation by the money manager. Should the Client desire to limit the level and ability to select money managers by Advisor, the mutual agreement of the Client and Advisor is required.

Client reserves the right to impose restrictions or guidelines on the management of the Client's assets, including any limitations on the purchase or sale of particular securities or types of securities subject to the terms and conditions imposed by the money manager. For more information on the ability of a Client to impose restrictions, refer to the ADV Part 2A or other information provided by the money manager.

Clients will receive account statements no less than quarterly from the money manager managing the Client's assets.

FINANCIAL PLANNING

The Advisor offers financial planning services to Clients seeking advice and direction on various aspects of financial planning. The level and extent of such financial planning services is dependent upon the level of services desired by the Client. Such advice may include, but is not limited to, analysis of financial plans, retirement planning, budget analysis, estate planning, college planning, and cash flow analysis.

The extent and nature of the financial planning is tailored to the desires and needs sought by the Client. Services may include the development of a written plan, providing analysis or recommendations, or may only involve consultation(s). Three basic types of financial planning are offered to Clients to select are:

- Comprehensive Financial Planning
- Limited Financial Planning
- Hourly Financial Planning & Consultation

Each of these types of financial planning are discussed below.

In determining or selecting to receive financial planning services, the Advisor is informing you that a conflict exists between the interests of the Advisor and the interests of the Client; the Client is under no obligation to act upon the Advisor's recommendation; and, if the Client elects to act on any of the recommendations, the Client is under no obligation to effect the transaction through the Advisor.

Comprehensive Financial Planning

The Advisor will thoroughly review of all pertinent Client information, including financial condition, tax status, and cash flow concerns, discuss Client objectives and needs, assess risk tolerance, and mutually agree upon a set of assumptions. On the basis of this information, the Advisor will provide Client with a customized written report of all analyses and recommendations. The purpose of comprehensive financial planning is to conduct a holistic review of the Client's financial situation, goals, and risk so as to provide advice and recommendations on all aspects of the Client's financial situation disclosed to the Advisor. Services will be rendered to the Client within six months of entering into an agreement.

Limited Financial Planning

The Advisor will thoroughly review of all pertinent Client information, including financial condition, tax status, and cash flow concerns, discuss Client objectives and needs, assess risk tolerance, and mutually agree upon a set of assumptions as it pertains to the area(s) of financial planning services desired by the Client. On the basis of this information, the Advisor will provide Client with a customized written report of all analyses and recommendations. Unlike Comprehensive Financial Planning, the purpose of such planning is to target particular area(s) of financial planning services for which the Client desires. The financial planning activities of the Advisor are not a holistic review of the Client's financial situation, goals, and risk.

It is the responsibility of the Client to indicate to the Advisor what areas of financial planning the Client seeks information and a written report. Among the areas the Client can choose among are:

- College Funding
- Charitable Planning
- Retirement Planning
- Investment Planning and Analysis
- Estate Planning
- Business Planning
- Budget Analysis
- Insurance Planning
- Cash Flow Management
- Review of Prior Financial Plans

Services will be rendered to the Client within six months of entering into an agreement.

Hourly Financial Planning & Consultation

The Advisor will review pertinent Client information provided to it by the Client, discuss Client objective and needs, and analyze and assess other factors necessary in providing information and recommendations concerning area(s) of financial planning for which the Client seeks advice. The Advisor is not responsible for providing a written report of analyses and recommendations. The purpose of hourly financial planning is to provide a way for Clients to openly discuss financial planning matters affecting them, their families, and/or their businesses. The Advisor reserves the right, based on information obtained during consultations or through submissions, to provide advice and recommendations at a time other than any consultations, as additional time may be necessary to provide quality advice and recommendations. It is the responsibility of the Client to indicate to the Advisor what areas of financial planning the Client seeks information and potential recommendations.

PRIVATE FUNDS

IFS Advisory, LLC is the General Partner and Investment Manager to the San Blas Fund, LP (the "Fund"). The Fund is exempt from registration under Section 3(c)(1) of the Investment Company Act of 1940. It is managed in accordance with its own investment objective, strategy and guidelines and is not tailored to the individual needs of any particular investor in the Fund. Therefore, investors must consider whether the Funds meet their investment objective and risk tolerance prior to investing. Detailed information about the Fund can be found in the Fund's Private Placement Memorandum.

Item 5 – Fees and Compensation

The following sections provide details on fees and compensation of the various programs and services offered by IFS Advisory, LLC.

Ambassador Program

For providing such services to the Client, the Client will be assessed the following annual fees. The following fees are negotiable between the Advisor and Client; however, no fee may exceed the stated level below listed. The Client will be assessed one fee regardless of the types of assets maintained in the Client's portfolio.

<u>Portfolio Value</u>	<u>Fee</u>
First \$200,000	2.25%
Next \$300,000	1.75%
Over \$500,000	1.25%

*Lower fees for comparable services may be found from other sources.

The annual fees provided above are payable in advance on a quarterly basis. The initial fee will be based on the value of assets at the inception of Client's program account(s) and then quarterly thereafter based upon the value of the client's account at the last business day of the preceding calendar quarter. The initial fee will be due upon inception. For accounts established in the first or second month of a quarter, the amount due is prorated for the remainder of the quarter. For accounts established in the third month of a quarter, the amount due will include the prorated amount for the remainder of the quarter as well as fees for the next quarter. The Client authorizes the Asset Management Services department of the custodian to debit fees for the Client's account(s) under management by the Advisor.

In addition to the annual fees stated above, the Client may incur additional charges from the broker/dealer and custodian. Such fees include account maintenance fees, custodial fees, safekeeping fees, transfer fees, and transaction expenses, such as ticket charges and mailing and postage charges. However, the Client will not be assessed any commission charges for trades. For mutual funds, the Client may incur periodic charges related to administrative charges, 12b-1 fees, and other costs.

In the event the Client or Advisor wishes to terminate their relationship with the Advisor or Client, respectively, written notice shall be provided by the Client to the Advisor, or vice-versa. Said termination shall be effective immediately upon receipt of the termination notice by the other party. Client's death shall not terminate the authority granted to the Advisor hereunder until the Advisor has received actual notification of said death. Any fees for Services paid in advance for which Services have not been rendered will be refunded on a pro-rated basis.

Item 12 further describes the factors that IFS Advisory, LLC considers in selecting or recommending broker/dealers for Client transactions and determining the reasonableness of their compensation.

Opportunity Program

The Client will be assessed the following annual fees. The following fees are negotiable between the Advisor and Client; however, no fee may exceed the stated level listed below. The Opportunity Blended Program offers a stated fee for equities, bonds, mutual funds, and cash that is consistent. Whereas, the Three Tiered Asset Class Fee offers specified (may be different or same) fee for each product (equities, cash, mutual funds, and bonds).

Opportunity Blended Fee Schedule

Opportunity Fee Investments: Portfolio

<u>Value</u>	<u>Fee</u>
First \$200,000	2.000%
Next \$300,000	1.500%
Amounts over \$500,000	1.000%

Three Tiered Asset Class Fee Schedule

Fee Investments (Excluding Open-End Mutual Funds & Bonds)

<u>Portfolio Value</u>	<u>Fee</u>
First \$200,000	2.000%
Next \$300,000	1.500%
Amounts over \$500,000	1.000%

Open-End Mutual Funds and Cash

<u>Portfolio Value</u>	<u>Fee</u>
First \$100,000	1.750%
Next \$100,000	1.500%
Next \$300,000	1.250%
Amounts over \$500,000	0.750%

Bonds

<u>Portfolio Value</u>	<u>Fee</u>
First \$100,000	1.500%
Next \$100,000	1.250%

Next \$300,000	1.000%
Amounts over \$500,000	0.750%

*Lower fees for comparable services may be found from other sources.

The annual fees provided above are payable in advance on a quarterly basis. The initial fee will be based on the value of assets at the inception of Client's program account(s) and then quarterly thereafter based upon the value of the client's account at the last business day of the preceding calendar quarter. The initial fee will be due upon inception. For accounts established in the first or second month of a quarter, the amount due is pro-rated for the remainder of the quarter. For accounts established in the third month of a quarter, the amount due will include the prorated amount for the remainder of the quarter as well as fees for the next quarter. The Client authorizes the Asset Management Services department of the custodian to debit fees for the Client's account(s) under management by the Advisor.

In addition to the annual fees stated above, the Client will incur additional charges from the broker/dealer and custodian. Such fees include commission charges, account maintenance fees, custodial fees, safekeeping fees, transfer fees, and transaction expenses, such as ticket charges and mailing and postage charges. For mutual funds, the Client may incur periodic charges related to administrative charges, 12b-1 fees, and other costs.

It should be noted the primary differences between the Ambassador Program and Opportunity Program are: 1) The fee schedule varies in that the Opportunity Program is based on a tiered schedule based on types of investments and is slightly less than the Ambassador based on amount invested; 2) The Ambassador Program allows for unlimited transactions with no transactional cost, while each and every transaction under the Opportunity Program is subject to a transactional charge; and 3) The minimum account size varies between the two programs.

In the event the Client or Advisor wishes to terminate their relationship with the Advisor or Client, respectively, written notice shall be provided by the Client to the Advisor, or vice-versa. Said termination shall be effective immediately upon receipt of the termination notice by the other party. Client's death shall not terminate the authority granted to the Advisor hereunder until the Advisor has received actual notification of said death. Any fees for Services paid in advance for which Services have not been rendered will be refunded on a pro-rated basis.

Item 12 further describes the factors that IFS Advisory, LLC considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (*e.g.*, commissions).

Select Account Program

For providing such services to the Client, the Client will be assessed the following annual fees. The following fees are negotiable between the Advisor and Client; however, no fee may exceed the stated level below listed. The Client will be assessed one fee regardless of the assets maintained in the Client's portfolio.

<u>Portfolio Value</u>	<u>Fee</u>
Up to \$100,000	2.25%
\$100,001 to \$250,000	2.00%
\$250,001 to \$500,000	1.75%
Over \$500,000	1.25%

*Lower fees for comparable services may be found from other sources.

The annual fees provided above are payable in advance on a monthly basis. The initial fee will be based on the value of assets at the inception of Client's program account(s) and then monthly thereafter, based upon the value of the Client's account at the last business day of the preceding calendar month.

Should the initial or a subsequent contribution of assets take place during a month, the fee for such contribution will be prorated for the remainder of the month and will be due within a reasonable period upon request. The initial fee will be due upon inception. For accounts established during a month, the amount due is prorated for the remainder of the month. The Client authorizes the custodian to debit fees for the Client's account(s) under management by the Advisor.

In addition to the annual fees state above, the Client may incur additional charges from the broker/dealer and custodian. Such fees include commission charges, account maintenance fees, safekeeping fees, administrative fees, transfer fees, and transaction expenses, such as ticket charges and mailing and posting charges. For mutual funds, the Advisor will seek to purchase mutual funds not possessing a sales charge; however, in some instances the Advisor will need to purchase a mutual fund with a sales charge since a comparable mutual fund without a sales charge is not available in meeting the Client's objectives. For mutual funds, the Client may incur periodic charges related to administrative charges, 12b-1 fees, and other costs.

In the event the Client or Advisor wishes to terminate their relationship with the Advisor or Client, respectively, written notice shall be provided by the Client to the Advisor, or vice-versa. Said termination shall be effective immediately upon receipt of the termination notice by the other party. Client's death shall not terminate the authority granted to the Advisor hereunder until the Advisor has received actual notification of said death. Any fees for Services paid in advance for which Services have not been rendered will be refunded on a pro-rated basis.

Item 12 further describes the factors that IFS Advisory, LLC considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (*e.g.*, commissions).

TURNKEY ASSET MANAGEMENT PROGRAMS

Russell Model Strategies Program

For providing such services to the Client, the Client will be assessed the following annual fees. The following fees are negotiable between the Advisor and Client; however, no fee may exceed the stated level below listed.

Conservative Strategy Only Portfolio

<u>Value</u>	<u>Fee</u>
First \$200,000	1.250%
Next \$300,000	1.000%
Amounts over \$500,000	0.750%

All strategies Except Conservative

<u>Portfolio Value</u>	<u>Fee</u>
First \$200,000	1.750%
Next \$300,000	1.500%
Amounts over \$500,000	1.000%

*Lower fees for comparable services may be found from other sources.

The annual fees provided above are payable in advance on a quarterly basis. The initial fee will be based on the value of assets at the inception of Client' program account(s) and then quarterly thereafter based upon the value of the client' account at the last business day of the preceding calendar quarter. The initial fee will be due upon inception. For accounts established in the first or second month of a quarter, the amount due is prorated for the remainder of the quarter. For accounts established in the third month of a quarter, the amount due will include the pro-rated amount for the remainder of the quarter as well as fees for the next quarter. The Client authorizes the Asset Management Services department of the custodian to debit fees for the Client's account(s) under management by the Advisor.

In addition to the above fees, the Client may be assessed management and operating fees charged by the mutual fund. The amount and timing of such fees vary according to the mutual fund. Additional information concerning such fees is discussed in the prospectus of the mutual fund.

Freedom Account Program

For providing such services to the Client, the Client will be assessed the following annual fees. The following fees are negotiable between the Advisor and Client; however, no fee may exceed the stated level below listed.

Conservative & High Income Strategies

<u>Portfolio Value</u>	<u>Fee</u>
First \$200,000	1.250%
Next \$300,000	1.000%
Amounts over \$500,000	0.750%

All Strategies (except Conservative & High Income Strategies)

<u>Portfolio Value</u>	<u>Fee</u>
First \$200,000	1.750%
Next \$300,000	1.500%
Amounts over \$500,000	1.000%

*Lower fees for comparable services may be found from other sources.

Raymond James Consulting Services Program

For providing such services to the Client, the Client will be assessed the following annual fees. The following fees are negotiable between the Advisor and Client; however, no fee may exceed the stated level below listed.

Equity, Balanced and Convertible Objectives

Accounts Less than \$500,000

<u>Portfolio Value</u>	<u>Fee</u>
First \$200,000	3.00%
Next \$300,000	2.50%

Accounts Greater than \$500,000

<u>Portfolio Value</u>	<u>Fee</u>
First \$500,000	2.50%
Next \$500,000	2.00%
Next \$1,000,000	1.60%
Next \$3,000,000	1.40%
Over \$5,000,000	1.30%

Fixed Income

<u>Portfolio Value</u>	<u>Fee</u>
First \$500,000	1.25%
Next \$500,000	0.90%
Next \$1,000,000	0.80%
Next \$8,000,000	0.65%

Short Term Conservative Fixed Income Objective

<u>Portfolio Value</u>	<u>Fee</u>
First \$5,000,000	0.60%
Next \$5,000,000	0.50%
\$10,000,000 or greater	0.40%

*Lower fees for comparable services may be found from other sources.

The annual fees provided above are payable in advance on a quarterly basis. The initial fee will be based on the value of assets at the inception of Client's program account(s) and then quarterly thereafter based upon the value of the Client's account at the last business day of the preceding calendar quarter. Should the initial or a subsequent contribution of assets take place during a quarter, the fee for such contribution will be pro-rated for the remainder of the quarter and be due within a reasonable period upon request. Partial withdrawal of assets during a quarter by a Client will not result in a refund of previously paid advisory fees for that quarter; however, the full withdrawal of assets during quarter by a Client will result in the Advisor refunding on a pro-rated basis fees unearned based on the number of days remaining in the quarter. The Client authorizes the Asset Management Services department of the custodian to debit fees for the Client's account(s) under management by the Advisor.

Such fees will be exclusive of and in addition to brokerage commissions, transaction fees, and any other costs or expenses incurred by the Client and payable to Client's broker or custodian.

In the event the Client or Advisor wishes to terminate their relationship with the Advisor or Client, respectively, written notice shall be provided by the Client to the Advisor, or vice-versa. Said termination shall be effective immediately upon receipt of the termination notice by the other party. Client's death shall not terminate the authority granted to the Advisor hereunder until the Advisor has received actual notification of said death. Any fees for services paid in advance for which services have not been rendered will be refunded on a pro-rated basis.

Outside Money Manager Program

For providing such services to the Client, the Client will be assessed the following annual fees. The following fees are negotiable between the Advisor and Client; however, no fee may exceed the stated level below listed.

Equity, Balanced and Convertible Objectives**Accounts Less than \$500,000**

<u>Portfolio Value</u>	<u>Fee</u>
First \$200,000	2.00%
Next \$300,000	1.50%

Accounts Greater than \$500,000

<u>Portfolio Value</u>	<u>Fee</u>
First \$500,000	1.50%
Next \$500,000	1.00%
Next \$1,000,000	0.80%
Next \$8,000,000	0.60%

Fixed Income

<u>Portfolio Value</u>	<u>Fee</u>
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First \$500,000	0.75%
Next \$500,000	0.50%
Next \$1,000,000	0.40%
Next \$8,000,000	0.30%

*Lower fees for comparable services may be found from other sources.

The annual fees provided above are payable in advance on a quarterly basis. The initial fee will be based on the value of assets at the inception of Client's program account(s) and then quarterly thereafter based upon the value of the Client's account at the last business day of the preceding calendar quarter. The Client authorizes the Asset Management Services department of the custodian to debit fees for the Client's account(s) under management by the Advisor.

In addition to the annual fees stated above, the Client will incur additional charges from the broker/dealer and custodian. Such fees include commission charges, account maintenance fees, custodial fees, safekeeping fees, transfer fees, and transaction expenses, such as ticket charges and mailing and posting charges. For mutual funds, the Client may incur periodic charges related to administrative charges, 12b-1 fees, and other costs.

In the event the Client or Advisor wishes to terminate their relationship with the Advisor or Client, respectively, written notice shall be provided by the Client to the Advisor, or vice-versa. Said termination shall be effective immediately upon receipt of the termination notice by the other party. Client's death shall not terminate the authority granted to the Advisor hereunder until the Advisor has received actual notification of said death. Any fees for Services paid in advance for which Services have not been rendered will be refunded on a pro-rated basis.

Freedom Unified Managed Account Program

For providing such services to the Client, the Client will be assessed the following annual fees. The following fees are negotiable between the Advisor and Client; however, no fee may exceed the stated total fee below listed.

<u>Portfolio Value</u>	<u>Fee</u>
First \$500,000	2.50%
Next \$500,000	2.00%
Next \$1,000,000	1.60%
Next \$3,000,000	1.40%
Over \$5,000,000	1.30%

*Lower fees for comparable services may be found from other sources.

**The Advisor Portion of the fees is that amount of the total fee that IFS Advisory earns for a Client participating in the program. If the Client negotiates a lower fee, the Total Fee will be reduced with the reduction coming from the Advisor Portion of the fee and not the difference between the Advisor Portion and the Total Fee. This includes any portion of the fee owed to the portfolio manager, any amount owed to the custodian, and the amount owed to IFS Advisory, LLC.

The annual fees provided above are payable in advance on a quarterly basis. The initial fee will be based on the value of assets at the inception of Client's program account(s) and then quarterly thereafter based upon the value of the Client's account at the last business day of the preceding calendar quarter. The Client authorizes the Asset Management Services department of the custodian to debit fees for the Client's account(s) under management by the Advisor.

Such fees will be exclusive of and in addition to brokerage commissions, transaction fees, and any other costs or expenses incurred by the Client and payable to Client's broker or custodian, including any administrative fees and mutual fund fees.

In the event the Client or Advisor wishes to terminate their relationship with the Advisor or Client, respectively, written notice shall be provided by the Client to the Advisor, or vice-versa. Said termination shall be effective immediately upon receipt of the termination notice by the other party. Client's death shall not terminate the authority granted to the Advisor hereunder until the Advisor has received actual notification of said death. Any fees for Services paid in advance for which Services have not been rendered will be refunded on a pro-rated basis.

Advisor Choice Program

The Client will be charged an advisory fee that will be in accordance to the money manager's fee schedule plus an additional negotiable fee of up to 1.25% of assets under management that will be paid to the Advisor for advisory services, including communications with the money manager, the selection of money managers if granted by Client, and the monitoring of Client activity, and the monitoring of money manager's transaction history in the Client's account relative to the Client's objectives and the objectives of the money manager. Total fees do not exceed 3% of assets under management. Fees for such money managers offered through the Advisor Choice program are not negotiable; however, the portion of the fee to be paid to the Advisor is negotiable. The money manager is responsible for billing Clients and providing Advisor with its portion of the aggregate fees for the program. For additional information concerning fees and billing, you should consult with the Advisor and literature of the money manager.

In the event the Client or Advisor wishes to terminate their relationship with the Advisor or Client, respectively, written notice shall be provided by the Client to the Advisor, or vice-versa. Said termination shall be effective immediately upon receipt of the termination notice by the other party. Client's death shall not terminate the authority granted to the Advisor hereunder until the Advisor has received actual notification of said death. Any fees for Services paid in advance for which Services have not been rendered will be refunded on a pro-rated basis.

FINANCIAL PLANNING

Comprehensive Financial Planning

The Client will be assessed a maximum fee of \$15,000 unless the Client and Advisor agree to a fee of up to 1% of the assets covered by the financial planning. The fee can be negotiated between the Client and Advisor. For the Client to negotiate the fee, the Client must communicate to the agent of the Advisor in writing or orally their desire to pay an alternative amount. Prior to providing any such services, the agent of the Advisor and Client must agree to the amount of compensation negotiated, which will be stated in the Financial Planning Agreement.

A portion of the fee will be payable upon execution of an agreement for services with the remaining amount due within one month of completion of the service. Services will be rendered to the Client within six months of entering into an agreement. Lower fees for comparable services may be found from other sources.

In the event the Client or Advisor wishes to terminate their relationship with the Advisor or Client, respectively, written notice shall be provided by the Client to the Advisor, or vice-versa. Said termination shall be effective immediately upon receipt of the termination notice by the other party. Client's death shall not terminate the authority granted to the Advisor hereunder until the Advisor has received actual notification of said death.

The Client will not be eligible for a refund if the Advisor has provided a customized written report of all analyses and recommendations. If a customized written report has not been provided to the Client, the Client will receive a refund of their entire amount paid in advance if notice is received within 10 days of execution of an agreement to provide Comprehensive Financial Planning Services. After the 10th day from the date of execution of an agreement to provide the services, the Client will receive a pro-rated amount of any fees paid in advance based on the level of completion as of the date of termination. However, if the monetary value of the level of completion exceeds the amount paid in advance, the Client will not receive a pro-rated amount of any fees paid in advance and will be subject to a pro-rated amount of the agreed upon fee for the services. The calculation of the monetary value of the level of completion will be determined based on the amount of time spent as a percentage of the anticipated amount of time to be spent on the services times the dollar amount agreed to by Client and Advisor for the services.

Limited Financial Planning

The Client will be assessed a maximum fee of \$250/hour. Fees are negotiable between the Client and Advisor. For the Client to negotiate the hourly fee, the Client must communicate to the agent of the Advisor in writing or orally their desire to pay an alternative amount. Prior to providing any such services, the agent of the Advisor and Client must agree to the amount of compensation negotiated, which will be stated in the Financial Planning Agreement.

A portion of the fee will be due and payable to Advisor either upon completion of the services or in monthly installments based on the accrued number of hours spent to date on financial planning. No fees will be due upon execution of an agreement for services. Lower fees for comparable services may be found from other sources.

In the event the Client or Advisor wishes to terminate their relationship with the Advisor or Client, respectively, written notice shall be provided by the Client to the Advisor, or vice-versa. Said termination shall be effective immediately upon receipt of the termination notice by the other party. Client' death shall not terminate the authority granted to the Advisor hereunder until the Advisor has received actual notification of said death. The Advisor is entitled to fees accrued to date based on the number of hours spent by the Advisor as of the date of termination. The Client will not be eligible for the refund of fees earned by the Advisor for limited financial planning. Limited financial planning and consultations are billed in arrears.

Hourly Financial Planning and Consulting

The Client will be assessed a maximum fee of \$200/hour. Fees for hourly financial planning services are negotiable between the Client and Advisor. For the Client to negotiate the hourly fee, the Client must communicate to the agent of the Advisor in writing or orally their desire to pay an alternative amount.

Prior to providing any such services, the agent of the Advisor and Client must agree to the amount of compensation negotiated, which will be stated in the Financial Planning Agreement.

A portion of the fee will be due and payable to Advisor upon completion of the services or monthly based on the accrued number of hours spent to date on financial planning. Lower fees for comparable services may be found from other sources.

In the event the Client or Advisor wishes to terminate their relationship with the Advisor or Client, respectively, written notice shall be provided by the Client to the Advisor, or vice-versa. Said termination shall be effective immediately upon receipt of the termination notice by the other party. Client' death shall not terminate the authority granted to the Advisor hereunder until the Advisor has received actual notification of said death. The Client will not be eligible for the refund of fees earned by the Advisor for hourly financial planning and consultation are billed in arrears. The Client will be responsible for any hourly fees accrued up to the date of termination.

PRIVATE FUNDS

All fees and expenses paid by the Fund are described to investors, in detail, in the Fund's Private Placement Memorandum.

The Fund currently has two investor share classes. To the extent that an investor does not meet the definition of "qualified client" as that term is defined in Rule 205-3 of the Investment Advisers Act of 1940, the investor will be eligible to purchase Class A Interests. The management fee assessed on Class A Interests is 4% per year, paid quarterly at the beginning of each calendar quarter. Class B Interests are available to "qualified clients" and include a management fee of 2% per year, paid quarterly at the beginning of each calendar quarter, in addition to an incentive fee equal to 20% of the partner's net capital appreciation. With respect to incentive fees, any losses are carried forward that no incentive fee is charged unless the losses have been recouped, subject to certain adjustments (i.e. a high water mark provision).

The Fund is responsible for paying all ordinary operating and other expenses, including, but not limited to, investment-related expenses (such as brokerage commissions, clearing and settlement charges, custodial fees, interest expenses, expenses relating to consultants, brokers or other professionals or advisers who provide research, advice or due diligence services with regard to investments, appraisal fees and expenses and investment banking expenses); research costs and expenses (including fees for news, quotation and similar information and pricing services); legal expenses (including, without limitation, the costs of on-going legal advice and services, blue sky filings and all costs and expenses related to or incurred in connection with the General Partner's compliance obligations under applicable federal and/or state securities and investment adviser laws arising out of its relationship to the Partnership, as well as extraordinary legal expenses); the Management Fee; accounting fees and audit expenses; administrative fees; tax preparation expenses and any applicable tax liabilities (including transfer taxes and withholding taxes); other governmental charges or fees payable by the Partnership; director and officer and/or errors and omissions liability insurance premiums or fiduciary liability insurance premiums for directors, officers and personnel of the General Partner; costs of printing and mailing reports and notices; and other similar expenses related to the Partnership, as the General Partner determines in its sole discretion.

Subject to an initial 12-month "Lock Up Period", investors may withdraw all or a portion of their capital account on the last day of each calendar quarter upon 30 days advance written notice, or otherwise at the general partner's sole discretion. Specific procedures and restrictions apply to withdrawals and terminations, as described in the Fund's Private Placement Memorandum. The General Partner, in its sole discretion, may impose minimum redemption amounts and require the maintenance of a minimum capital account size in the event of a partial withdrawal. The General Partner may also, in its sole discretion, require an investor to redeem all or part of its interest at any time. Withdrawals may be subject to a holdback of up to 5% of the withdrawal amount pending completion of the annual audit.

ADDITIONAL DISCLOSURES

Agents of the Advisor in the role of a broker/dealer representative receive commissions for the sale of investments through the firm's affiliate, IFS Securities, and compensation for the sale insurance products as insurance agents. Commissions for the sale of investments may be the result of transactions conducted as part of the above-stated programs pursuant to an advisory agreement entered into by the Client or for transactions in Client accounts and assets that are not being managed pursuant to an advisory agreement executed by a Client. Any compensation or commissions received by an agent for insurance transactions are received outside the scope of an advisory agreement executed by a Client.

The receipt of commissions and compensation for transactions represents a conflict of interest as the agents have an incentive to recommend securities and insurance products on the basis of compensation received rather than on the Client's needs. The Advisor has adopted policies for the review of commissions along with the quality of executions as part of its procedures on best execution to mitigate potential negative consequences to the Client, such as the payment of higher commissions relative to the enhanced ability of the Advisor and its agents to service Clients. The Advisor has adopted policies prohibiting the recommendation of a money manager/program to a Client solely on the basis of compensation received. The Advisor has also adopted practices for the review of accounts to ensure that programs selected are in the best interest of the Client. For financial planning services, the Advisor has adopted practices and policies to review financial plans and financial planning services to ensure that services provided are in the best interest of Clients and are consistent with the Advisor's fiduciary duty to Clients.

Clients have the option to purchase investment products recommended by the Advisor or its agents through other brokers or agents not affiliated with the Advisor. The Advisor and its agents are primarily compensated through fees discussed above and not commissions from advisory clients of the Advisor. In programs with commission charges, Clients incur a reduced commission charge than would be otherwise be available if the Client were to effect the recommended transactions through a brokerage account established through the Advisor's affiliate, IFS Securities. More so, the advisory fees charged to Clients have been reduced to offset commission or markup charges.

Item 6 – Performance-Based Fees and Side-By-Side Management

Certain investors in the private fund managed by IFS Advisory, LLC pay a performance fee equal to a percentage of the net capital appreciation of the investor's interest in the Fund. IFS Advisory, LLC includes realized and unrealized capital gains and losses. Performance based fee arrangements may create an incentive for IFS Advisory, LLC to recommend investments that are riskier or more speculative than those which would be recommended under a different fee arrangement. Such fee arrangements also create an incentive to favor higher fee paying accounts over other accounts when allocating investment opportunities among clients. Portfolio management and trading activities for the Fund are handled independently of other separately managed clients, thereby minimizing or eliminating any conflict that could arise from trade allocations.

Item 7 – Types of Clients

IFS Advisory, LLC provides investment advisory services and investment advice to individuals, high net worth individuals, and private funds. The Advisor at its discretion may provide investment advisory services on a going forward basis to entities and programs, such as corporate pension and profit-sharing plans, Taft-Hartley plans, charitable institutions, foundations, endowments, municipalities, registered mutual funds, trust programs, sovereign funds, foreign funds such as UCITs and SICAVs, and other and international institutions.

As discussed above in Section 4, account minimums have been established to be eligible to participate in certain programs. These minimums are:

- Ambassador Program - \$50,000
- Opportunity Program - \$25,000
- Select Account Program - \$50,000
- Russell Model Portfolios Program - \$50,000
- Freedom Account Program - \$50,000 except for Retirement Income Solutions which requires a

\$100,000 minimum

- Raymond James Consulting Services Program - \$100,000 (equity and balanced portfolios); \$200,000 (fixed income portfolios)
- Outside Money Manager Program - \$100,000 (equity and balanced portfolios); \$200,000 (fixed income portfolios)
- Freedom Unified Managed Accounts Program - \$300,000 except for Aggressive and Conservative Strategies which require a \$600,000 minimum.
- Advisor Choice – no minimum established by IFS Advisory, LLC; however the individual money manager may establish minimums
- Financial Planning Programs – no minimums

The minimum investment required for the San Blas Fund, LP are set forth in the Fund's Private Placement Memorandum. The initial minimum investment is \$100,000, with an additional minimum subscriptions of \$25,000.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss

IFS Advisory, LLC may utilize educational seminars, product sponsor presentations, and various sales literature provided by product sponsors in analyzing various products and offerings that may be offered to clients. This is in addition to financial newspapers and magazines, research materials prepared by others, corporate rating services, company press releases, and annual reports, prospectuses, and filings with the SEC as a means of analyzing securities.

Under the Portfolio Management Programs, IFS Advisory, LLC may employ a variety of investment strategies and securities to tailor a portfolio that meets the needs of its Clients. Among the strategies that may be utilized with a Client are as follows: 1) an asset allocation program utilizing mutual funds and/or exchange-traded funds to provide customers broad-based diversification among asset and sector classes; and 2) investing in financially strong, undervalued stocks of companies. Additional strategies or methods may be employed based on the needs and desires of the Client.

In using mutual funds, as part of an asset allocation program or not, the Client may be subject to sales loads, otherwise known as commissions, in the purchase or sale of a mutual fund. Sales loads vary widely based on the underlying portfolio, class of share selected, and dollar amount invested. The Advisor and its agent will seek to purchase mutual funds possessing no sales load. For no-load funds or mutual funds possessing a sales load, a Client's mutual fund holding will be subject to annual fees that are assessed by the mutual fund. Sales loads and annual fees negatively impact the net performance of a mutual fund. The objectives and positions of mutual funds vary in nature and type. Accordingly, the performance of mutual funds may deviate significantly to the performance of market benchmarks, such as the Dow Jones Industrial Average or the Standard and Poors 500 Index.

In using stocks as an investment vehicle, the Client is advised that use of stocks of companies may result in a commission charge based on the program selected. Clients are advised that stocks may fluctuate widely due to firm specific events, financial market events, political events, and changes in regulations. The degree to which a stock may fluctuate is not certain or predictable; however, it is noted that some stocks move in a higher degree of correlation to overall stock markets. Conversely, the investment in financially strong, undervalued stocks may be indicative of stocks whose price movement has been generally less than that of the overall markets. Investing in individual securities provides less diversification by themselves than investments in multiple stocks, a mutual fund comprised of securities of multiple companies or issuers, or through the use of multiple types of investment vehicles (i.e. stocks, bonds, mutual funds, etc.).

For any strategy employing the frequent trading of securities, investment performance may be negatively impacted due to increased transactions costs (i.e. commissions) as well as higher tax rates due to differentials in tax rates between short-term and long-term holdings. Clients are advised to be mindful of these potential negative consequences.

Under the Turnkey Asset Management Programs, specific strategies may be employed by the money managers managing the account. Information concerning such strategies may be found by accessing the Form ADV of the money manager and by requesting additional information concerning the program.

Investing in securities involves risk of loss that Clients should be prepared to bear. For Turnkey Asset Management Programs, risks of investing are further discussed in the Form ADV of the money manager.

Additional Risks Associated with Investments in Private Funds

San Blas Fund, LP investors are subject to additional risks inherent to investing in a private fund, as the shares of the fund are not registered with the Securities and Exchange Commission or any other regulatory authority. Investors should refer to the Private Placement Memorandum for a detailed description of all risks associated with private investments.

The following is a description of some important investment risks associated with the Fund's strategy. The following explanation is not exhaustive, but rather highlights some of the more significant risks involved in the Fund's investment strategies.

Risk of Loss of Capital. All investments involve the risk of a loss of capital. The General Partner believes that the Partnership's investment program and its research and risk-management techniques moderate this risk through the careful selection of securities and other financial instruments. No guarantee or representation is made that the Partnership's investment program will be successful, investment results may vary substantially over time, and a Limited Partner could incur substantial, or even total, losses on an investment in the Partnership. The Partnership's investment program will utilize such investment techniques as option transactions, limited diversification, and others, which practices can, in certain circumstances, have an adverse impact on the Partnership.

Equity Securities. The value of the equity securities held by the Partnership are subject to market risk, including changes in economic conditions, growth rates, profits, interest rates and the market's perception of these securities. While offering greater potential for long-term growth, equity securities are more volatile and more risky than some other forms of investment.

Small- and Medium-Capitalization Stocks. The Partnership may invest its assets in stocks of companies with smaller market capitalizations. Small- and medium-capitalization companies may be of a less seasoned nature or have securities that may be traded in the over-the-counter market. These "secondary" securities often involve significantly greater risks than the securities of larger, better-known companies. In addition to being subject to the general market risk that stock prices may decline over short or even extended periods, such companies may not be well-known to the investing public, may not have significant institutional ownership and may have cyclical, static or only moderate growth prospects. Additionally, stocks of such companies may be more volatile in price and have lower trading volumes than larger capitalized companies, which results in greater sensitivity of the market price to individual transactions. Accordingly, investors in the Partnership should have a long-term investment horizon.

Small- and medium-capitalization securities may be followed by relatively few securities analysts with the result that there tends to be less publicly available information concerning these securities compared

to what is available for exchange-listed or larger companies. The securities of these companies have more limited trading volumes than those of larger issuers and may be subject to more abrupt or erratic market movements than the securities of larger, more established companies or the market averages in general, and the Partnership may be required to deal with only a few market makers when purchasing and selling these securities. Transaction costs in small- and medium-capitalization stocks may be higher than those involving larger capitalized companies. Companies in which the Partnership may invest may also have limited product lines, markets or financial resources and may lack management depth and may be more vulnerable to adverse business or market developments.

New Issues. The Partnership may invest in New Issues. Such investments offer the opportunity for significant appreciation; however, they are speculative and involve a high degree of risk. It is characteristic of the initial public offerings market that certain companies may be extremely successful, while a much higher percentage of new public companies fail. Thus, the risk of investing in initial public offerings is substantially greater than investing in the stock market as a whole. Rule 5130 Restricted Partners and Rule 5131 Restricted Partners may be precluded from participating, in whole or in part, in the Partnership's investments in New Issues, subject to the "*de minimis*" exception under the New Issues Rule or Anti-Spinning Rule, as applicable. To the extent that a potential Partner is "restricted," an investment in the Partnership may not yield the performance results that may be achieved by those investors that are entitled to receive allocations with respect to New Issues. Any Partner who does not provide the Partnership with sufficient information to show that such Partner is not a restricted person will be presumed to be a restricted person and may receive reduced allocations with respect to New Issues and any profit therefrom.

Exchange Traded Funds. The Partnership may invest in Exchange Traded Funds ("*ETFs*"). ETFs are a recently developed type of investment security, representing an interest in a passively managed portfolio of securities selected to replicate a securities index, such as the S&P 500 Index or the Dow Jones Industrial Average, or to represent exposure to a particular industry or sector. Unlike open-end mutual funds, the shares of ETFs and closed-end investment companies are not purchased and redeemed by investors directly with the fund, but instead are purchased and sold through broker-dealers in transactions on a stock exchange. Because ETF and closed-end fund shares are traded on an exchange, they may trade at a discount from or a premium to the net asset value per share of the underlying portfolio of securities. As a relatively new type of security, the trading characteristics of ETFs may not yet be fully developed or understood by potential investors. In addition to bearing the risks related to investments in equity securities, investors in ETFs intended to replicate a securities index bear the risk that the ETFs performance may not correctly replicate the performance of the index. Investors in ETFs, closed-end funds and other investment companies bear a proportionate share of the expenses of those funds, including management fees, custodial and accounting costs, and other expenses. Trading in ETF and closed-end fund shares also entails payment of brokerage commissions and other transaction costs.

Option Transactions. The purchase or sale of an option by the Partnership involves the payment or receipt of a premium payment and the corresponding right or obligation, as the case may be, to either purchase or sell the underlying investment for a specific price at a certain time or during a certain period. Purchasing options involves the risk that the underlying investment does not change in price in the manner expected, so that the option expires worthless and the investor loses its premium. Selling options, on the other hand, involves potentially greater risk because the investor is exposed to the extent of the actual price movement in the underlying investment in excess of the premium payment received.

Convertible Securities. Convertible securities ("*Convertibles*") are generally debt securities or preferred stocks that may be converted into common stock. Convertibles typically pay current income

as either interest (debt security convertibles) or dividends (preferred stocks). A Convertible's value usually reflects both the stream of current income payments and the value of the underlying common stock. The market value of a Convertible performs like that of a regular debt security; that is, if market interest rates rise, the value of a Convertible usually falls. Since it is convertible into common stock, the Convertible generally has the same types of market and issuer risk as the underlying common stock. Convertibles that are debt securities are also subject to the normal risks associated with debt securities, such as interest rate risks, credit spread expansion and ultimately default risk, as discussed below. Convertibles are also prone to liquidity risk as demand can dry up periodically, and bid/ask spreads on bonds can widen significantly.

An issuer may be more likely to fail to make regular payments on a Convertible than on its other debt because other debt securities may have a prior claim on the issuer's assets, particularly if the Convertible is preferred stock. However, Convertibles usually have a claim prior to the issuer's common stock.

In addition, for some Convertibles, the issuer can choose when to convert to common stock, or can "call" (redeem) the Convertible. An issuer may convert or call a Convertible when it is disadvantageous for the Partnership, causing the Partnership to lose an opportunity for gain. For other Convertibles, the Partnership can choose when to convert the security to common stock or to put (sell) the Convertible back to the issuer.

Because Convertible arbitrage also involves the short sale of underlying common stock, this strategy is also subject to stock-borrow risk, which is the risk that the Partnership will be unable to sustain the short position in the underlying common shares.

Derivative Investments. Derivatives are financial contracts whose value depends on, or is derived from, an underlying product, such as the value of a securities index. The risks generally associated with derivatives include the risks that: (1) the value of the derivative will change in a manner detrimental to the Partnership; (2) before purchasing the derivative, the Partnership will not have the opportunity to observe its performance under all market conditions; (3) another party to the derivative may fail to comply with the terms of the derivative contract; (4) the derivative may be difficult to purchase or sell; and (5) the derivative may involve indebtedness or economic leverage, such that adverse changes in the value of the underlying asset could result in a loss substantially greater than the amount invested in the derivative itself or in heightened price sensitivity to market fluctuations.

Derivatives markets can be highly volatile. The profitability of investments by the Partnership in the derivatives markets depends on the ability of the General Partner to analyze correctly these markets, which are influenced by, among other things, changing supply and demand relationships, governmental, commercial and trade programs and policies designed to influence world political and economic events, and changes in interest rates. In addition, the assets of the Partnership may be pledged as collateral in derivatives transactions. Thus, if the Partnership defaults on such an obligation, the counterparty to such transaction may be entitled some or all of the assets of the Partnership as a result of the default.

Debt and Other Income Securities. The Partnership may invest in fixed-income and adjustable rate securities. Income securities are subject to interest rate, market and credit risk. Interest rate risk relates to changes in a security's value as a result of changes in interest rates generally. Even though such instruments are investments that may promise a stable stream of income, the prices of such securities are inversely affected by changes in interest rates and, therefore, are subject to the risk of market price fluctuations. In general, the values of fixed income securities increase when prevailing interest rates

fall and decrease when interest rates rise. Because of the resetting of interest rates, adjustable rate securities are less likely than non-adjustable rate securities of comparable quality and maturity to increase or decrease significantly in value when market interest rates fall or rise, respectively. Market risk relates to the changes in the risk or perceived risk of an issuer, industry, country or region. Credit risk relates to the ability of the issuer to make payments of principal and interest. The values of income securities may be affected by changes in the credit rating or financial condition of the issuing entities. Income securities denominated in non-U.S. currencies are also subject to the risk of a decline in the value of the denominating currency relative to the U.S. dollar.

The debt securities in which the Partnership may invest are not required to satisfy any minimum credit rating standard, and may include instruments that are considered to be of relatively poor standing and have predominantly speculative characteristics with respect to capacity to pay interest and repay principal. The Partnership may invest in bonds rated lower than investment grade, which may be considered speculative. The Partnership may also invest a substantial portion of its assets in high-risk instruments that are low rated, unrated or in default.

Non-U.S. Exchanges and Markets. The Partnership may engage in trading on non-U.S. exchanges and markets. Trading on such exchanges and markets may involve certain risks not applicable to trading on U.S. exchanges and is frequently less regulated. For example, certain of those exchanges may not provide the same assurances of the integrity (financial and otherwise) of the marketplace and its participants, as do U.S. exchanges. There also may be less regulatory oversight and supervision by the exchanges themselves over transactions and participants in such transactions on those exchanges. Some non-U.S. exchanges, in contrast to U.S. exchanges, are “principals’ markets” in which performance is the responsibility only of the individual member with whom the trader has dealt and is not the responsibility of an exchange or clearing association. Furthermore, trading on certain non-U.S. exchanges may be conducted in such a manner that all participants are not afforded an equal opportunity to execute certain trades and may also be subject to a variety of political influences and the possibility of direct government intervention. Investment in non-U.S. markets would also be subject to the risk of fluctuations in the exchange rate between the local currency and the dollar and to the possibility of exchange controls. Foreign brokerage commissions and other fees are also generally higher than in the United States.

Currency Risk. The value of the Partnership’s assets may be affected favorably or unfavorably by the changes in currency rates and exchange control regulations. Some currency exchange costs may be incurred when the Partnership changes investments from one country to another. Currency exchange rates may fluctuate significantly over short periods of time. They generally are determined by the forces of supply and demand in the respective markets and the relative merits of investments in different countries, actual or perceived changes in interest rates and other complex factors, as seen from an international perspective. Currency exchange rates can also be affected unpredictably by intervention by governments or central banks (or the failure to intervene) or by currency controls or political developments. The Partnership may seek to mitigate the risk of currency exchange fluctuation through the active and systematic use of currency hedges.

Emerging Markets. The securities markets of emerging countries are generally smaller, less developed, less liquid, and more volatile than the securities markets of the U.S. and developed foreign markets. Disclosure and regulatory standards in many respects are less stringent than in the United States and developed foreign markets. Accounting and auditing standards in many markets are different, and sometimes significantly differ from those applicable in the United States or Europe. There is substantially less publicly available information about companies located in emerging markets than there is about companies in other more developed jurisdictions. There also may be a lower level of

monitoring and regulation of securities markets in emerging market countries and the activities of investors in such markets and enforcement of existing regulations has been extremely limited.

Many emerging countries have experienced substantial, and in some periods extremely high, rates of inflation for many years. Inflation and rapid fluctuations in inflation rates have had and may continue to have very negative effects on the economies and securities markets of certain emerging countries.

Economies in emerging markets generally are heavily dependent upon international trade and, accordingly, have been and may continue to be affected adversely by trade barriers, exchange controls, managed adjustments in relative currency values, and other protectionist measures imposed or negotiated by the countries with which they trade. The economies of these countries also have been and may continue to be adversely affected by economic conditions in the countries with which they trade. The economies of countries with emerging markets may also be predominantly based on only a few industries or dependent on revenues from particular commodities. In addition, custodial services and other costs relating to investment in foreign markets may be more expensive in emerging markets than in many developed foreign markets, which could reduce the Partnership's income from such securities.

In many cases, governments of emerging countries continue to exercise significant control over their economies, and government actions relative to the economy, as well as economic developments generally, may affect the capacity of issuers of emerging country debt instruments to make payments on their debt obligations, regardless of their financial condition. In addition, there is a heightened possibility of expropriation or confiscatory taxation, imposition of withholding taxes on interest payments, or other similar developments that could affect investments in those countries. There can be no assurance that adverse political changes will not cause the Partnership to suffer a loss of any or all of its investments and, in the case of fixed-income securities, interest thereon.

Many emerging countries are undergoing important political and economic changes that are making their economies more free-market oriented. However, there could be future political and economic changes that may return the situation to closed and centrally controlled economies with price and foreign exchange controls. Many of these countries lack the legal, structural and cultural basis for the establishment of a dynamic, orderly, market-oriented economy. Many of the promising changes that are being seen at present could be reversed, causing significant impact on the Partnership's investment returns.

Foreign Securities. The Partnership may invest in securities and other instruments of foreign corporations and foreign countries. Investing in the securities of companies in, and governments of, foreign countries involves certain considerations not usually associated with investing in securities of United States companies or the United States Government. These include, among other things, political and economic considerations, such as greater risks of expropriation, nationalization and general social, political and economic instability; the small size of the securities markets in such countries and the low volume of trading, resulting in potential lack of liquidity and in price volatility; fluctuations in the rate of exchange between currencies and costs associated with currency conversion; differences in withholding and other taxation and certain government policies that may restrict the Partnership's investment opportunities. In addition, accounting and financial reporting standards that prevail in foreign countries generally are not equivalent to United States standards and, consequently, less information may be available to investors in companies located in foreign countries than is available to investors in companies located in the United States. There is also less regulation, generally, of the securities markets in foreign countries than there is in the United States.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of IFS Advisory, LLC or the integrity of IFS Advisory LLC's management. IFS Advisory, LLC have no items to report.

Item 10 – Other Financial Industry Activities and Affiliations

IFS Advisory, LLC is under common ownership with IFS Securities, a broker/dealer registered with the Securities & Exchange Commission, the Financial Industry Regulatory Authority, the Municipal Securities Rulemaking Board, and various states. IFS Securities is also registered as an insurance agency with various states in offering life and health insurance as well as annuities.

In addition to affiliation through common ownership, management of IFS Advisory, LLC is also registered as broker/dealer representatives of IFS Securities. Management devotes in excess of 80% of their time to activities and services related to IFS Securities. Agents of IFS Advisory, LLC who do not serve in a management capacity are also broker/dealer representatives of IFS Securities. Agents of IFS Advisory, LLC may also serve as insurance agents in conducting business through IFS Securities or another insurance agency.

In providing the various programs stated above, the Advisor frequently recommends its affiliated entity, IFS Securities, to serve as the broker/dealer of record for Clients of the Advisor. In this capacity, the broker/dealer will transmit orders placed by the Advisor. Upon execution of transactions, the broker/dealer may receive commissions for the execution of transactions on behalf of Clients of the Advisor, which are distributed in part to agents of the broker/dealer, who also serve as agents of the Advisor. Accordingly, agents of the Advisor may receive a portion of the commissions along with a portion of any fees of the Advisor. Commissions may or may not be higher than commission charged by other broker/dealers.

The practice of utilizing the Advisor's affiliated broker/dealer presents a conflict of interest. Agents of the Advisor may recommend a particular security to a Client to be purchased through the affiliated broker/dealer due to the additional commissions the agent and the affiliated broker/dealer will receive. More so, the agent and the affiliated broker/dealer are entitled to commissions they would not otherwise be entitled to had the transaction been placed with another broker/dealer. The Advisor has adopted policies for the review of transactions and commissions along with the quality of executions as part of its procedures on best execution to mitigate potential negative consequences to the Client, such as the payment of higher commissions relative to the enhanced ability of the Advisor and its agents to service Clients.

As part of some of the Turnkey Asset Management Programs, the Advisor receives compensation for referring the Client to the money manager(s) in the form of a percentage of assets under management. A portion of such fees are distributed to agents of the Advisor. This includes the portion of the fee owed to the portfolio manager, any amount owed to the custodian, and the amount owed to IFS Advisory, LLC. The receipt of fees by the Advisor for recommending a money manager/program does not result in the Client incurring fees that would be higher than they would have been had the Client obtained the services directly from the money manager/program selected. The allowable amount of compensation received by the Advisor may vary based on the money manager/program selected. This presents a conflict of interest as the Advisor and its agents may be entitled to greater compensation by recommending one Turnkey Asset Management Program versus another in lieu of what program is in the best interest of the Client.

The Advisor has adopted policies prohibiting the recommendation of a money manager/program to a Client

solely on the basis of compensation received. The Advisor requires all recommendations of money managers/programs to be in the best interest of the Client based on the information ascertained from the Client by the Advisor and its agents.

With the exception of the Advisor Choice Program, the Turnkey Asset Management Programs have been established by Raymond James, the custodian of record for the Client Assets and the custodian with whom the firm's related broker/dealer, IFS Securities, has an agreement to provide custody services. As discussed in Section 5, such programs may also include charges for commissions and custodial fees. IFS Securities and its agents may receive a portion of commissions. Agents of IFS Securities are also agents of the Advisor and the Advisor is related to the broker/dealer through common ownership. The recommendation of programs where commission charges exist presents a conflict of interest as agents of the Advisor have an incentive to recommend programs with commission charges to increase their compensation rather than meet the needs of Clients. The Advisor has also adopted practices for the review of accounts to ensure that programs selected are in the best interest of the Client.

In providing Financial Planning Services, the Advisor and its agents may recommend, based on the services selected by the Client, action to be undertaken by the Client that includes recommendations of investments, advisory services, or insurance products. This presents a conflict of interest as Clients may feel obligated to adhere to recommendations made by the Advisor and its agents through the use of the Advisor, its agents, or the Advisor's affiliated company, IFS Securities. The providing of financial planning advice where investments, insurance, or advisory services are recommended also creates a conflict of interest as the Advisor and its agents have an incentive to recommend transactions or services that optimizes their compensation in the form of commissions and fees. The Advisor strictly prohibits itself and its agents from placing undue pressure on Clients to utilize the Advisor, its agents, or the Advisor's affiliated company, IFS Securities in implementing any recommendations made as part of financial planning services. The Advisor strictly prohibits itself and its agents from making as a condition of providing financial planning services that any recommendations are required to be implemented through the Advisor, its agents, or the Advisor's affiliated company, IFS Securities. The Advisor has adopted practices and policies to review financial plans and financial planning services to ensure that services provided are in the best interest of Clients and are consistent with the Advisor's fiduciary duty to Clients.

In conducting insurance transactions, IFS Securities will receive commissions and premiums for sales of life and health insurance as well as annuities. Such compensation is split with the insurance agent, who may also be an agent of the Advisor, in conducting the transaction. Agents of the Advisor may also receive compensation from the sale of insurance products and annuities conducted away from IFS Securities, who will not receive any compensation for such transactions. This presents a conflict of interest as the Advisor and its agents have an incentive to recommend, in providing financial planning services or otherwise in the role of an insurance agent, insurance products based on compensation received rather than the Client's needs. The Advisor and its affiliate, IFS Securities, has adopted policies requiring that all insurance transactions be in the best interest of Clients based on information ascertained from the Client. Further, the Advisor prohibits agents of the Advisor to manage subaccounts of variable annuity holdings pursuant to an advisory agreement.

IFS Advisory, LLC may act as an independent financial advisory firm to municipal entities, school districts, and other not-for-profit organizations specializing in the structuring, marketing and sale of bonds. These services will include advising such entities on debt restructurings, budgeting and supporting financial analyses, solvency analyses, employee pension uses, Chapter 9 bankruptcy processes, new issuance and financing structures and risk management. The Firm will not act as a municipal advisor in transactions in which the affiliated broker dealer is acting as underwriter.

Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

IFS Advisory, LLC has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its Clients. The Code of Ethics includes provisions relating to the confidentiality of Client information, a prohibition on insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. IFS Advisory, LLC's Clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Jervis Hough.

Subject to satisfying this policy and applicable laws, officers, directors and agents of IFS Advisory, LLC and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for IFS Advisory, LLC's Clients. This presents a conflict of interest as agents of the Advisor could receive an execution for a transaction for an account in which they have financial interest that is superior to that received by a Client. To address this conflict, the Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the supervised persons of the Advisor will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Further, the Advisor requires agents, in conducting accounts in which they have beneficial ownership or control, to only affect transactions in their accounts after all allocations have been made to Clients unless their order is entered in concert with other Client orders at the same time to receive the same execution price.

Neither IFS Advisory, LLC nor any of its supervised persons, including agents, maintain a material financial interest in any securities recommended to a Client for purchase. Supervised persons are prohibited from making recommendations in securities in which they have a material financial interest.

It is IFS Advisory LLC's policy to not permit the firm or its affiliated broker/dealer to effect any agency cross securities transactions for Client accounts. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction.

It is IFS Advisory LLC's policy to not effect principal transactions for Client accounts through its affiliated broker/dealer. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any client.

Item 12 – Brokerage Practices

IFS Advisory, LLC, in providing services to Clients, frequently recommends its affiliated broker/dealer, IFS Securities, for the entering of transactions for routing to its custodians, Raymond James and Sterne, Agee & Leach, or TD Ameritrade for execution. All client assets (other than the Fund) are maintained at either one of these two custodians for accounts serviced under the Portfolio Management Programs. For participants in the Turnkey Asset Management Programs, assets may be custodied at either one of these custodians or at other custodians, in the case of the Advisor Choice Program and SAP, subject to the terms and conditions imposed by the third party manager.

IFS Advisory LLC's affiliate, IFS Securities, receives research, commissions, and a portion of ticket and other transaction charges for conducting business through its custodians. Any research received is not based on the volume of transactions routed through its custodians as such research is made available regardless of

volume of transactions or fees. Any research obtained can be used in servicing the Clients of IFS Advisory, LLC and is not contingent upon Client's assets or frequency of transactions. Inherently, IFS Advisory, LLC does have a conflict of interest to recommend its affiliated broker/dealer in order to receive additional compensation, such as commissions or other transaction-related fees, that it is entitled, rather than providing the most favorable execution to a Client. By recommending the use of its affiliated broker/dealer, IFS Advisory, LLC may be unable to achieve most favorable execution of Client transactions, which may cost Clients more money than if the execution was done through another broker/dealer. The Advisor has adopted policies for the review of commissions along with the quality of executions as part of its procedures on best execution to mitigate potential negative consequences to the Client, such as the payment of higher commissions relative to the enhanced ability of the Advisor and its agents to service Clients. The Advisor has also adopted practices for the review of accounts.

San Blas Fund, LP assets are maintained through a prime brokerage arrangement with ConvergeX Prime Services. Fund transactions may be executed by the prime broker, IFS Securities, or an unaffiliated broker. All transactions executed on behalf of the Fund are subject to IFS Advisory, LLC's duty to seek best execution.

IFS Advisory, LLC does not receive any referral fee in recommending its affiliated broker/dealer from any third party or for routing transactions to particular broker/dealers for execution. IFS Advisory, LLC does receive compensation from third parties as discussed in Section 5 for recommending money managers as part of its Turnkey Asset Management Programs. This presents a conflict of interest as the Advisor and its agents may be entitled to greater compensation by recommending one Turnkey Asset Management Program versus another in lieu of what program is in the best interest of the Client. The Advisor has adopted policies prohibiting the recommendation of a money manager/program to a Client solely on the basis of compensation received. The Advisor requires all recommendations of money managers/programs to be in the best interest of the Client based on the information ascertained from the Client by the Advisor and its agents.

The Client is advised that not all advisers recommend, require, or request their clients to direct brokerage through a particular broker/dealer, whether affiliated or not affiliated. Accordingly, the Client may have more flexibility in the selection of a broker/dealer through which to direct brokerage at an adviser other than IFS Advisory, LLC.

In the execution of transactions, IFS Advisory, LLC may aggregate transactions into a single order for various Client accounts. The Advisor permits its agents to engage in such a practice if the action will be of positive impact to the Client. By aggregating transactions, IFS Advisory, LLC may be able to reduce transaction costs and time necessary to individually place transactions for each Client account. In those cases where aggregation is not utilized, Clients may receive multiple execution prices and increased transaction-related charges. Depending on movements in the price of securities being traded, each individual Client may or may not receive a better execution price for aggregating orders versus not doing so. The Advisor has adopted policies concerning the aggregation of orders for Client accounts.

Item 13 – Review of Accounts

The Chief Compliance Officer and any designee he/she may appoint reviews selected accounts on a periodic basis. In such a review, the Chief Compliance Officer is evaluating transaction history relative to the Client's profile and the underlying agent's compliance with firm policies and fiduciary standards. Additional account reviews may be triggered by a specific client request; a customer complaint; or, as needed, based on activity levels within an account. A sample of financial plans will be reviewed as needed by the Chief Compliance Officer.

Agents of IFS Advisory, LLC are responsible for continuously monitoring Client accounts in taking into account the Client's profile, various events (i.e. political, market, etc.), and changes in securities and companies that are currently being held by a Client. Agents providing financial planning services are responsible for reviewing such financial plans in accordance to any contractual agreements entered into by the Client.

At the present time, IFS Advisory, LLC does not provide any reports regarding the assets and account(s) of Clients. The qualified custodian provides no less than quarterly account statements concerning the Client's assets.

Item 14 – Client Referrals and Other Compensation

The Advisor does not receive any economic benefit from anyone or any entity other than the Client, with the exception of compensation the Advisor may receive in connection with Turnkey Asset Management Programs. As discussed in Section 5, IFS Advisory, LLC will receive compensation as a percentage of assets under management for referring the Client to the respective program and its money managers. This presents a conflict of interest as the Advisor and its agents may be entitled to greater compensation by recommending one Turnkey Asset Management Program versus another in lieu of what program is in the best interest of the Client. The Advisor has adopted policies prohibiting the recommendation of a money manager/program to a Client solely on the basis of compensation received. The Advisor requires all recommendations of money managers/programs to be in the best interest of the Client based on the information ascertained from the Client by the Advisor and its agents.

TD Ameritrade, Inc.

Advisor participates in TD Ameritrade's institutional customer program and Advisor may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between Advisor's participation in the program and the investment advice it gives to its Clients, although Advisor 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 Advisor 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 Advisor by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by Advisor's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit Advisor but may not benefit its Client accounts. These products or services may assist Advisor in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help Advisor manage and further develop its business enterprise. The benefits received by Advisor 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, Advisor endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Advisor or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the Advisor's choice of TD Ameritrade for custody and brokerage services.

The Advisor does not compensate any entity or persons as solicitors in referring Clients to the Advisor for services.

Item 15 – Custody

All separately managed account client assets are maintained with a qualified custodian. Clients will receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. IFS Advisory, LLC urges you to carefully review such statements. IFS Advisory, LLC does not provide alternative statements.

Because IFS Advisory, LLC is also the General Partner of the San Blas Fund, LP, IFS Advisory, LLC is deemed to have custody of the assets in the Fund. IFS Advisory, LLC complies with the requirements of the Custody Rule under the Investment Advisers Act of 1940 by engaging the services of an independent public accountant to conduct a financial audit of the private fund's assets each year. A copy of the audited financial statements are provided to investors in the Fund within 120 days of the Fund's fiscal year-end.

Item 16 – Investment Discretion

IFS Advisory, LLC may receive discretionary authority from the Client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold, broker or dealer to be used, and commission rates to be applied. The Advisor obtains such authority through the execution of an advisory agreement which provides for and Client consents to discretionary authority being granted to the Advisor. The Client reserves the right, with agreement by the Advisor, to request and have their assets managed on a non-discretionary basis.

In all cases, discretion is to be exercised in a manner consistent with the stated investment objectives for the particular Client account. When selecting securities and determining amounts, IFS Advisory, LLC observes the investment policies, limitations and restrictions of the Clients for which it advises. For registered investment companies, IFS Advisory, LLC's authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made. Investment guidelines and restrictions must be provided to IFS Advisory, LLC in writing.

IFS Advisory, LLC maintains discretion on the selection of brokers/dealers to be used, unless agreed to otherwise by the Client and Advisor. The Advisor will frequently recommend its affiliated broker/dealer, IFS Securities, to serve as a broker/dealer, through which the Advisor has discretion on the amount of commissions to be paid subject to the terms and conditions of the program in which the Client enters.

Item 17 – Voting Client Securities

As a matter of policy and practice, IFS Advisory, LLC does not have any authority to and does not vote proxies on behalf of separately managed account Clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in Client portfolios. IFS Advisory, LLC may provide advice to Clients regarding the clients' voting of proxies. All proxies or other solicitations for proxy voting come directly from the custodian or transfer agent and not from IFS Advisory, LLC. Clients having questions about proxies or other solicitations may contact their agent at IFS Advisory, LLC. Contact information for the agent is provided for in the ADV Part 2B, which provides contact and other details concerning the agent.

As General Partner to the San Blas Fund, LP, IFS Advisory, LLC will vote proxies for the investments in the Fund. Investors in the Fund are not permitted to direct votes for any proxy solicitation.

Item 18 – Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about IFS Advisory LLC's financial condition. IFS Advisory, LLC has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding. Further, the Advisor has not been subject to any bankruptcy petition at any time.

The Advisor does not solicit prepayment of more than \$1200 in fees per Client six months or more in advance.