

**Item 1:
Cover Page**

**Wrap Fee Program Brochure
of
NEXTCAPITAL ADVISERS, INC.**

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This wrap fee program brochure provides information about the qualifications and business practices of NextCapital Advisers, Inc. If you have any questions about the contents of this brochure, please contact us at advinquiries@nextcapital.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or any state securities authority.

Additional information about NextCapital Advisers, Inc. is also available on the Securities and Exchange Commission's website at www.adviserinfo.sec.gov.

Registration as an investment adviser does not imply a certain level of skill or training.

Item 2:
Material Changes

This Wrap Fee Program Brochure (this “Brochure”) is the initial disclosure document prepared in connection with the wrap fee program of NextCapital Advisers, Inc. (“NextCapital Advisers”). Therefore, NextCapital Advisers has not previously filed any annual updates to this brochure and has no material changes to report.

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Services Fees and Compensation

NextCapital Advisers is a Delaware corporation, which registered with the Securities and Exchange Commission as an investment adviser in March 2015. NextCapital Advisers is a wholly owned subsidiary of NextCapital Group, Inc. ("NextCapital Group").

NextCapital Group's owners include two outside investors, Russell Investments and Transamerica Ventures, as well as NextCapital Group's four founders, John Patterson, Jon Hagen, Dirk Quayle and Robert Foregger. John Patterson, through two family trusts, is the only stockholder of NextCapital Group who directly or indirectly owns greater than a 25% interest in NextCapital Group. Neither Russell Investments nor Transamerica Ventures concedes that it controls NextCapital Group or is otherwise an affiliate of NextCapital Group for purposes of the Investment Advisers Act of 1940, as amended.

The mission of NextCapital Group is to deliver personal, objective and world-class portfolio and planning services to investors.

NextCapital Group, through its subsidiaries, is a leading provider of portfolio management and 401(k) managed account software. NextCapital Group's founding team was responsible for building out the first automated 401(k) portfolio management platform, the first electronic advisor and one of the first online banks. NextCapital Group's wholly owned subsidiary, NextCapital Software, Inc. ("NextCapital Software") licenses financial and forecasting software to companies, such as Transamerica and AonHewitt. NextCapital Software also partners with Russell Investments to provide automated portfolio management for employees saving for retirement in 401(k) plans.

NextCapital Group offers three primary web-based services: (1) NextCapital, a free service made available through NextCapital Software, (2) NextCapital Premium, a subscription-based advanced investment analytics service made available through NextCapital Software, and (3) NextCapital Personal Portfolio Service, a discretionary, fee-based service that provides investment management services made available through NextCapital Advisers.

NextCapital Personal Portfolio Service is considered a "wrap fee program" under SEC rules because NextCapital Advisers charges a single fee for both investment advisory services and brokerage expenses, including custody of assets, execution and clearing of transactions, and account reporting. NextCapital Advisers is the sponsor of this wrap fee program. This Brochure describes the NextCapital Personal Portfolio Service services and the wrap fee program.

NextCapital Personal Portfolio Service

NextCapital Personal Portfolio Service is a discretionary, fee-based service that provides investment management services including: (i) portfolio construction and ongoing management

(e.g., asset allocation/reallocation and recommendation of specific securities to include or remove from a portfolio), (ii) financial planning (e.g., analysis of retirement savings/spend down and college education savings and other life milestones), (iii) general recommendations (e.g., identifying cost reduction opportunities, optimizing tax efficiency and investment tax saving strategies, risk and diversification levels) and (iv) sophisticated financial analytics tools and measurements provided by NextCapital Software.

NextCapital Personal Portfolio Service provides automated ongoing discretionary investment management, automatic portfolio rebalancing, and securities transaction and custody services at no additional charge. As part of the NextCapital Personal Portfolio Service enrollment process, the person enrolling (a "NextCapital Adviser Client" or "Client") authorizes NextCapital Advisers to execute trades on his or her behalf using the recommendations generated through NextCapital Advisers' proprietary computer algorithms, based on the personal and financial information provided by the NextCapital Adviser Client. Additionally, NextCapital Advisers' proprietary computer algorithms will perform ongoing portfolio rebalancing based on material changes to the recommendations generated by its proprietary investment methodology and any changes to the life circumstances of NextCapital Adviser Clients insofar as such clients affirmatively communicate these changes to NextCapital Advisers through the NextCapital Personal Portfolio Service online platform.

NextCapital Personal Portfolio Service continuously monitors Clients' portfolios via automated computer algorithms and periodically rebalances them back to the target asset allocation applicable to each Client in an effort to maintain the intended level of return and risk in the portfolio.

NextCapital Personal Portfolio Service bases its investment recommendations on the information provided to NextCapital Advisers by its clients. As such, if a Client were to provide NextCapital Advisers with inaccurate or false information, or fail to provide material information, the quality and applicability of the investment strategies and recommendations made to, and, if applicable, management of accounts of such Client by NextCapital Advisers may be materially impacted.

Client accounts must be held at a full-service registered broker-dealer that allows NextCapital Advisers to place trades on behalf of such clients (the "Broker"). For such clients whose accounts are not held at a Broker prior to enrollment in NextCapital Personal Portfolio Service, NextCapital Advisers will assist clients in transferring assets into new accounts held at a Broker.

The Broker will be a "Qualified Custodian," as defined by SEC Rule 206(4)-2, to meet the custodial and brokerage needs of NextCapital Adviser Clients. In selecting broker-dealers as a Broker, NextCapital Advisers first determines which broker-dealers have an investment management platform that allows NextCapital Advisers to execute trades on behalf of the Clients and then assess such broker-dealers using the following factors:

- financial strength and reputation of the broker-dealer;

- whether the broker-dealer has a trading platform that supports the administrative requirements for trading and record keeping;
- the amount of experience the broker-dealer has in handling the transaction, brokerage, custodial and record-keeping needs of an internet based investment adviser;
- whether the broker-dealer's securities pricing and transaction and custodial costs are reasonable;
- the likelihood the broker-dealer will meet or exceed its best execution obligations for client account transactions;
- the level of responsiveness that the broker-dealer will bring to NextCapital Advisers' execution needs for its client accounts;
- the extent to which the broker-dealer has access to securities that NextCapital Advisers selects for client account transactions;
- the broker-dealer's block trading capabilities;
- the broker-dealer's ability to facilitate creation and redemption of shares of Exchange Traded Funds; and
- the accuracy of trades and trade confirmations and, in the event that errors occur, a rapid and fair error correction process.

NextCapital Advisers does not pay for any products, research or services from any brokers, nor does NextCapital Advisers receive any referrals from any brokers directing clients to them.

Fees

NextCapital Personal Portfolio Service charges an all-inclusive wrap fee ("Wrap Fee"), payable in arrears, at a rate of 25 basis points (0.25%) ("Fee Rate") annually based on each NextCapital Adviser Client's assets under management with NextCapital Advisers. There are twelve (12) billing periods (each, a "Fee Period") throughout the year, coinciding with the calendar months. NextCapital Advisers calculates a daily Wrap Fee, which is equal to the Fee Rate multiplied by the aggregate market value of each NextCapital Adviser Client's account over which NextCapital Advisers has been granted discretionary trading authority as of the close of trading on the New York Stock Exchange ("NYSE") on such day, or as of the close of markets on the immediately preceding trading day for any day when the NYSE is closed, and then divided by 365 (or 366 in any leap year). The Wrap Fee for each Fee Period is equal to the sum of the daily Wrap Fees calculated during the applicable Fee Period. Upon a NextCapital Adviser Client's written instruction, Wrap Fees may be deducted by a Broker directly from such NextCapital Adviser Client's accounts. Each NextCapital Adviser Client not electing to have the Wrap Fee deducted from his or her account by the Broker will receive an invoice for the Wrap Fees. The Wrap Fees will be withdrawn, or are due by, as applicable, the tenth (10th) business day following the last business day of the applicable Fee Period. Wrap Fees will begin to be calculated on the date a NextCapital Adviser Client's Advisory Agreement is executed and will cease on the day on which such client's Advisory Agreement is terminated.

The Wrap Fee includes charges for advisory services, custody of assets, execution and clearing of transactions, and accounting reporting. NextCapital Adviser Clients should consider that, depending on the amount of activity in a NextCapital Adviser Client's account and the value of such advisory, custodial, trade execution, clearing and other services provided under the wrap fee arrangement, the Wrap Fee may or may not exceed the aggregate cost of such services if they were to be provided separately.

In addition to the Wrap Fee, a NextCapital Adviser Client may incur "transfer out" fees (charged by other brokers when such clients transfer their accounts to a Broker). NextCapital Advisers is involved with the establishment of a Broker's fee structure, but receives no remuneration from any Broker or from Brokers who may charge NextCapital Adviser Clients exit fees.

Negotiability of Fees

Except as otherwise noted below, Wrap Fees are generally not negotiable. In the event of a change to the NextCapital Personal Portfolio Service pricing model, NextCapital Advisers may, in its sole discretion, offer existing NextCapital Adviser Clients the opportunity to retain the pricing rates that apply to such NextCapital Adviser Clients at the time of the change rather than migrate to new pricing rates.

Account Termination

If a client wishes to terminate an existing relationship with NextCapital Advisers, he or she can do so at any time by emailing advinquiries@nextcapital.com. Such client's termination will take effect promptly upon NextCapital Advisers' receipt of such e-mail.

NextCapital Advisers may terminate a client's access to any of NextCapital's services if NextCapital Advisers believes such client is in breach of any component of the Account Documentation (as defined below), including, but not limited to, the Website Terms of Use and Advisory Agreement.

Other Account Fees

NextCapital Advisers does not receive any direct or indirect (e.g. soft-dollar) compensation for the purchase or sale of securities or other investment products. NextCapital Advisers provides objective, non-biased investment recommendations. Neither NextCapital Group nor any of its subsidiaries has any fee arrangement or relationship with any fund adviser or other person related to any of the investment recommendations provided by NextCapital Advisers.

In addition to the Wrap Fee, Clients may also pay fees or expenses to third-parties. Some of the securities or other investment products NextCapital Advisers purchases for clients, such as exchange traded funds ("ETFs"), may charge product fees that Clients indirectly pay. NextCapital Advisers does not charge these fees to Clients and does not benefit, directly or indirectly, from any such fees. An ETF typically includes embedded expenses that may reduce

the ETF's net asset value, and therefore directly affect the ETF's performance and indirectly affect a Client's portfolio performance or an index benchmark comparison. Expenses of an ETF may include management fees, custodian fees, brokerage commissions, and legal and accounting fees. ETF expenses may change from time to time at the sole discretion of the ETF issuer. NextCapital Advisers continually evaluates such investments and embedded fees on behalf of its Clients' managed accounts and will provide each ETF's current information, including expenses, upon request.

Item 5: Account Requirements and Types of Clients

NextCapital Advisers generally provides investment advice and managed account services to individuals seeking independent, objective and actionable investment advice and management to help such individuals make investment decisions and achieve their financial objectives and goals. NextCapital Advisers, in the future, may also make NextCapital Personal Portfolio Service available to third-party investment advisers.

To open an account through NextCapital Personal Portfolio Service, a prospective client must complete each of the following steps via NextCapital Group's website:

- Enroll in NextCapital (i.e., the free financial software).
- Acknowledge review and acceptance of NextCapital Group's Terms of Use.
- Upgrade to NextCapital Personal Portfolio Service.
- Provide specific information regarding the prospective client's investing profile, including: financial situation, investment experience and investment objectives.
- Acknowledge receipt and review of this Wrap Fee Brochure.
- Acknowledge review of, and agreement to, the Advisory Agreement, the Consent to Electronic Delivery of Documents from NextCapital Advisers and the Broker, and any other applicable documentation, and execute a limited power of attorney granting NextCapital Advisers investment discretion over a brokerage account held at a Broker (collectively, as applicable, "Account Documentation").
- Provide identity verification for NextCapital Advisers' "know your client" compliance.
- Indicate whether the Broker is authorized to deduct the Wrap Fee from the account or whether the Wrap Fee should be billed via invoice.

NextCapital Advisers is an internet-based financial advisor, which means each Client must acknowledge his or her ability and willingness to conduct the relationship with NextCapital Advisers on an electronic basis. Under the terms of the Advisory Agreement, each Client agrees to receive all account information and account documents (including this Brochure), and any updates or changes to same, through his or her access to the website and NextCapital Advisers' electronic communications. Unless noted otherwise on the website or within this Brochure,

NextCapital Advisers' advisory service, the signature for the Advisory Agreement, and all Documentation related to the advisory services are managed electronically through NextCapital Group's website. NextCapital Advisers does not make individual representatives available to discuss servicing matters or any investment advice with NextCapital Adviser Clients.

NextCapital Adviser Client accounts are subject to a minimum initial account size of \$5,000.00, unless such minimum is waived by NextCapital Advisers in its sole discretion.

Item 6: Portfolio Manager Selection and Evaluation

NextCapital Advisers directly manages the portfolios of all NextCapital Adviser Clients pursuant to the Advisory Agreement. *See* "Item 4 - Program Description" for detailed information regarding the advisory services provided through NextCapital Personal Portfolio Service.

Performance-Based Fees and Side-by-Side Management

NextCapital Advisers does not charge performance-based fees.

Methods of Analysis and Investment Strategies

Overview: NextCapital Advisers seeks to provide each NextCapital Adviser Client with a personalized, objective and world-class investment portfolio and an accompanying plan that considers the NextCapital Adviser Client's preferences, goals and constraints. NextCapital Adviser Clients who can utilize and benefit from NextCapital Advisers' advice range from novice individual investors to sophisticated investors seeking a core strategy.

The foundation of NextCapital Advisers' investment advice methodology is the NextCapital Retirement Index ("Retirement Index"). The Retirement Index is a proprietary portfolio index that tracks the aggregate global asset allocation of the largest managers of Target Date Funds ("TDFs").

NextCapital Advisers, using the Retirement Index as an allocation-neutral baseline, provides a dynamic framework for personalized portfolio construction and financial planning for goal-based portfolios.

NextCapital Retirement Index: The Retirement Index takes a passive view of asset allocation by using the consensus asset allocation of the world's largest managers of TDFs. The managers that comprise the Retirement Index represent over 95% of the invested assets in public TDFs. Each asset manager has a different perspective on forward-looking capital market expectations, global optimized portfolios and the appropriate risk for each age category, and each asset manager changes its asset allocations over time. The Retirement Index tracks and analyzes each TDF in the index to determine each manager's asset allocation strategy and then generates the

market consensus view from the combination of each manager in the index. This process is repeated quarterly to update the market consensus. An affiliate of NextCapital Group created the Retirement Index (formerly known as MarketGlide) in 2008 and has been updating it quarterly since 2008. Since 2008, the Retirement Index portfolios have consistently tracked the median return of the Target Date industry mutual funds.

By aggregating the Target Date industry views to create a consensus of the best asset managers, the Retirement Index seeks to ensure that investors do not concentrate risk by relying on the economic and asset allocation views of a single asset manager. While security-level indices, such as the S&P 500 index, have provided investors with broad and low-cost equity exposure for decades, the Retirement Index provides investors with access to a more tailored strategy because it is an aggregate index of leading retirement goal asset allocations.

The Retirement Index goal based portfolios start with aggressive portfolios for young investors and glide down in the level of equity risk based on the number of years to expected retirement. Generally, the TDF managers are invested among twenty major global asset classes or styles. The asset classes represented in the Retirement Index are non-overlapping, are minimally correlated with each other, consider global risk factors and are investable using a variety of low-cost fund managers.

NextCapital Advisers Investment Advice Methodology: The *Retirement Index* provides a prudent foundation for time-horizon-based investment management – an intelligent portfolio that can be further enhanced with additional client profiling. The investment methodology has default assumptions that NextCapital Advisers will use if certain information is not provided by a client in a questionnaire or otherwise (e.g., if a client does not enter the age at which such client desires to retire, the investment methodology will assume a retirement target age of 67).

NextCapital Advisers also offers personalized recommendations to clients based on a three-step approach:

- First, NextCapital Advisers seeks to assess client needs based on two primary categories of client information: (i) human capital (i.e., a client's future earnings and savings potential), and (ii) financial status (i.e., a client's current assets and other future expected sources of income specified for investment objectives). NextCapital Advisers may also utilize information which may be provided by clients at their option related to two additional categories: (i) risk tolerance (i.e., a client's ability to withstand future market volatility and other market events) and (ii) future goals (i.e., a client's goals for retirement, college education, etc.).

Based on NextCapital Advisers' personalized client profile process, NextCapital Advisers optimizes a client's portfolio and glide path relative to the age-based default allocation. The potential results for each client may include: (i) a customized portfolio allocation and glide path, (ii) wealth and spend-down forecasts, (iii) savings advice, (iv) portfolio insights (e.g., information on topics such as portfolio diversification, investment

costs, investment tax liabilities and performance) and (iv) other advice or guidance relating to such client's portfolio.

Depending on the planning scenario, client profile information may be collected in several ways. Clients may complete a proprietary investor planning process produced by NextCapital Advisers during or after the initial account opening process, provide a high-level estimate of their financial situation and/or link their investment accounts to www.NextCapital.com (this option provides NextCapital Advisers with the most detailed security and tax status (e.g., 401(k), IRA, Roth, etc.) information about a client's financial plan).

- Second, using the client information gathered in the first step described above, NextCapital Advisers creates a sound financial plan to help clients achieve their financial goals. NextCapital Advisers illustrates to the client the possible outcomes that might be achieved with the recommended investment policy based on the client's current rate of saving and targeted start date of an investment goal, such as retirement. NextCapital Advisers empowers clients to understand the important choices that may help improve their investment and plan outcome. Through a proprietary optimization process, NextCapital Advisers may also provide other important financial recommendations, such as how much to save or when to start saving to reach a specified goal (e.g., a plan to retire at age 65) and when to engage in certain actions (e.g., start taking Social Security benefits at age 62).
- Third, NextCapital Advisers creates individualized investment portfolio recommendations seeking to use the optimal asset classes in which to invest, the most efficient and inexpensive ETFs to represent each of those asset classes, and the ideal mix of asset classes based on each client's specific financial situation, investment objectives, and risk tolerance. Asset classes represented by an ETF in a client portfolio may include: Cash & Cash Equivalents, US Treasury Bonds, US Treasury Inflation Protected Securities "TIPS", US Agency Bonds, US Mortgage Backed Bonds, US Municipal Bonds, US Corporate Bonds, US High Yield Bonds, Developed Markets Sovereign Bonds, Emerging Markets Sovereign Bonds, US Large Cap Value, US Large Cap Growth, US Small Cap Value, US Small Cap Growth, Developed Markets Equities, Emerging Markets Equities, US REITs, Global ex-US REITS, and Commodities.

NextCapital Advisers periodically reviews the entire population of more than 1,000 ETFs to identify the most appropriate ETFs to represent each asset class. NextCapital Advisers looks for ETFs that minimize cost and tracking error (as many ETFs do not exactly track the indexes they were created to mimic) and offer market liquidity for best execution. Choosing an ETF with a low expense ratio that does not track the asset class recommended by NextCapital Advisers runs the risk of sub-optimizing a client's portfolio performance. NextCapital Advisers chooses ETFs that are expected to have sufficient liquidity to allow client withdrawals at any time. Finally, NextCapital Advisers

selects ETFs that for taxable accounts have the appropriate tax management practices that are consistent with minimizing the tax consequences for our clients.

NextCapital Advisers licenses the software used to formulate investment recommendations for clients from its affiliate, NextCapital Software. However, NextCapital Advisers is responsible for the investment advice methodology and capital market assumptions used to generate investment recommendations.

Risk of Loss

The identification of investment opportunities is difficult and involves a significant degree of uncertainty. Investing in securities involves a risk of loss. NextCapital Advisers does not guarantee the future performance of any client's account or the success of any investment recommendation or strategy that NextCapital Advisers may make for a client's portfolio. Potential clients should consider the following risks before enrolling in NextCapital Personal Portfolio Service:

Investment Risks. Certain investment recommendations made by NextCapital Advisers may be subject to specific risks. For example, exchange traded funds and mutual funds are subject to the risks arising from the portfolio of underlying stocks and other financial instruments, including market and issuer risks.

Reliance on Client Information. NextCapital Advisers bases its investment recommendations for each of its services on the information provided to NextCapital Advisers by its NextCapital Adviser Clients. As such, if a NextCapital Adviser Client were to provide NextCapital Advisers with inaccurate or false information, or fail to provide material information, the quality and applicability of the investment strategies and recommendations made to, and, if applicable, management of accounts of, such NextCapital Adviser Client by NextCapital Advisers may be materially impacted.

Reliance on Quantitative Analysis. NextCapital Advisers' methodologies and investment strategies rely upon quantitative models and systems. Such models and systems may entail the use of sophisticated statistical calculations and complex computer systems, and there is no assurance that NextCapital Advisers will be successful in carrying out such calculations correctly or that the use of these quantitative models and systems will not expose NextCapital Adviser Clients to the risk of significant losses.

Sources of Information: NextCapital Advisers receives data and information about such clients' accounts directly from such clients' custodian and Broker. Additionally, NextCapital Advisers utilizes data and information from one or more third party data providers in order to evaluate and analyze securities.

Time Sensitivity. The recommendations NextCapital Advisers provides and other information comprising a recommended investment strategy may be time sensitive, especially

during times of significant market volatility. Thus, acting on an investment recommendation after the date of recommendation may cause significant losses to a NextCapital Adviser Client's portfolio.

Market Conditions. The success of NextCapital Advisers' investment strategy and recommendations may be significantly and adversely affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws and national and international political circumstances. These factors may affect the level and volatility of securities prices and the liquidity of the investments NextCapital Advisers recommends to NextCapital Adviser Clients.

Legislative and Tax Risk. Performance may directly or indirectly be affected by government legislation or regulation, which may include, but is not limited to: changes in investment adviser or securities trading regulation; change in the U.S. government's guarantee of ultimate payment of principal and interest on certain government securities; and changes in the tax code that could affect interest income, income characterization and/or tax reporting obligations (particularly for ETF securities dealing in natural resources). In certain circumstances a NextCapital Adviser Client may incur taxable income on her investments without a cash distribution to pay the tax due.

Foreign Investing and Emerging Markets Risk: Foreign investing involves risks not typically associated with U.S. investments, and the risks may be exacerbated further in emerging market countries. These risks may include, among others, adverse fluctuations in foreign currency values, as well as adverse political, social and economic developments affecting one or more foreign countries. In addition, foreign investing may involve less publicly available information and more volatile or less liquid securities markets, particularly in markets that trade a small number of securities, have unstable governments, or involve limited industry. Investments in foreign countries could be affected by factors not present in the U.S., such as restrictions on receiving the investment proceeds from a foreign country, foreign tax laws or tax withholding requirements, unique trade clearance or settlement procedures, and potential difficulties in enforcing contractual obligations or other legal rules that jeopardize shareholder protection. Foreign accounting may be less transparent than U.S. accounting practices and foreign regulation may be inadequate or irregular.

ETF Risks. ETF performance may not exactly match the performance of the index or market benchmark that the ETF is designed to track for many reasons, including:

- the ETF will incur expenses and transaction costs not incurred by any applicable index or market benchmark;
- certain securities comprising the index or market benchmark tracked by the ETF may, from time to time, temporarily be unavailable; and
- supply and demand in the market for either the ETF and/or for the securities held by the ETF may cause the ETF shares to trade at a premium or discount to the actual net asset value of the securities owned by the ETF.

Certain ETF strategies may from time to time include the purchase of fixed income, commodities, foreign securities, American Depositary Receipts, or other securities for which expenses and commission rates could be higher than normally charged for exchange-traded equity securities, and for which market quotations or valuation may be limited or inaccurate.

NextCapital Adviser Clients should be aware that because NextCapital Advisers will invest in ETFs on their behalf, such NextCapital Adviser Clients will pay two levels of advisory compensation – advisory fees charged by NextCapital Advisers plus any management fees charged by the issuer of the ETF. This scenario may cause a higher advisory cost (and potentially lower investment returns) than if such NextCapital Adviser Client purchased the ETF directly.

An ETF typically includes embedded expenses that may reduce the ETF's net asset value, and therefore directly affect the fund's performance and indirectly affect a NextCapital Adviser Client's portfolio performance or an index benchmark comparison. Expenses of the fund may include investment advisor management fees, custodian fees, brokerage commissions, and legal and accounting fees. ETF expenses may change from time to time at the sole discretion of the ETF issuer.

Inflation, Currency, and Interest Rate Risks. Security prices and portfolio returns will likely vary in response to changes in inflation and interest rates. Inflation causes the value of future dollars to be worth less and may reduce the purchasing power of an investor's future interest payments and principal. Inflation also generally leads to higher interest rates, which in turn may cause the value of many types of fixed income investments to decline. In addition, the relative value of the U.S. dollar-denominated assets primarily managed by NextCapital Advisers may be affected by the risk that currency devaluations affect client purchasing power.

The foregoing list of risks does not purport to be a complete enumeration or explanation of the risks involved with NextCapital Advisers' investment programs. Prospective clients should consult their own advisers before deciding whether to utilize NextCapital Advisers' services.

Voting Client Securities

NextCapital Advisers does not vote proxies on behalf of NextCapital Adviser Clients who will receive such notices from their account's custodian. Furthermore, NextCapital Advisers does not take any action on legal notices it or a NextCapital Adviser Client may receive from issuers of securities held by a NextCapital Adviser Client.

Item 7:
Client Information Provided to Portfolio Managers

Because NextCapital Advisers manages all client portfolios directly, NextCapital Advisers does not share client information with third party portfolio managers.

Item 8:
Client Contact with Portfolio Managers

Because NextCapital Advisers provides all of its advisory services solely through its interactive website, NextCapital Advisers does not make individual representatives available to discuss servicing matters or any investment advice with NextCapital Adviser Clients.

Item 9:
Additional Information

Disciplinary Information

There are no legal or disciplinary events that are material to a NextCapital Adviser Client's evaluation of NextCapital Advisers or the integrity of NextCapital Advisers' management.

Other Financial Industry Activities and Affiliations

NextCapital Advisers has no other financial industry activities or affiliations required to be disclosed in this brochure.

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

In accordance with the Investment Advisers Act of 1940, NextCapital Advisers has adopted a Code of Ethics for all supervised persons of the firm describing NextCapital Advisers' high standard of business conduct and fiduciary duties to its clients. The Code of Ethics includes written procedures governing the conduct of the firm's supervised persons, including 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. All supervised persons at NextCapital Advisers must acknowledge the terms of the Code of Ethics annually, or as amended. Upon request, NextCapital Advisers will provide a copy of the Code of Ethics to clients and prospective clients. To request a copy of the Code of Ethics, please contact NextCapital Advisers at advinquiries@nextcapital.com.

NextCapital Advisers will generate advice and buy or sell securities for client accounts based on the advice generated from the software recommendations. NextCapital Advisers uses highly

liquid ETFs for its clients, and tracks any purchases made by NextCapital Advisers employees or management. Generally NextCapital Advisers does not anticipate that its buying or selling activity will materially affect the price of the high-liquidity ETFs used by NextCapital Advisers, but if necessary, NextCapital Advisers may, from time to time, limit or restrict the ability of NextCapital Advisers employees or management to purchase certain ETFs to ensure NextCapital Advisers' NextCapital Adviser Clients receive the best price available.

Review of Accounts

Accounts managed by NextCapital Advisers through the NextCapital Personal Portfolio Service are continually reviewed via automated computer algorithms. During these reviews, NextCapital Advisers' proprietary computer algorithms consider the information and risk profile provided by each NextCapital Adviser Client, including individual goals (financial and otherwise), current financial status, investment objectives, and risk tolerance relative to such client. During a review, the algorithm also takes into account overall market movement, significant changes to one or more of the securities comprising a portfolio, or changes in the applicable NextCapital Adviser Client's life circumstances (to the extent such NextCapital Adviser Client reports such changes to NextCapital Advisers).

NextCapital Advisers bases its investment recommendations on the information provided to NextCapital Advisers by its clients. As such, if a client were to provide NextCapital Advisers with inaccurate or false information, fail to provide material information or fail to timely update information, the quality and applicability of the investment strategies and recommendations made by NextCapital Advisers as a result of its process to review the client's account may be materially impacted.

Client Referrals and Other Compensation

NextCapital Advisers currently does not have any third-party referral arrangements whereby it has agreed to pay such third parties fees for referring clients to NextCapital Advisers.

Custody

NextCapital Advisers does not assume custody of client assets, except to the extent a NextCapital Adviser Client authorizes the deduction of Wrap Fees from the Manage Account Client's accounts, as described below. Assets of NextCapital Adviser Clients are generally held in the name of each NextCapital Adviser Client and maintained in the custody of a Broker, which is a "Qualified Custodian" as defined by SEC Rule 206(4)-2. NextCapital Adviser Clients will receive periodic statements from the Broker. NextCapital Advisers urges each NextCapital Adviser Client to carefully review such statements and compare such official custodial records to any account statements that NextCapital Advisers may provide. NextCapital Advisers' statements may vary from custodial statements based on accounting procedures, reporting dates or valuation methodologies of certain securities or other instruments.

As part of the NextCapital Personal Portfolio Service enrollment process, each NextCapital Adviser Client may elect to authorize his or her Broker to deduct the Advisory Fee directly from such NextCapital Adviser Client's account(s). NextCapital Adviser Clients will be reminded through account materials that they should review statements from the Broker to make sure that the amount of fees deducted are correct based on the Advisory Agreement between such client and NextCapital Advisers.

Financial Information

NextCapital Advisers does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, and thus no financial information is required to be provided by NextCapital Advisers. NextCapital Advisers has no financial commitment that is reasonably likely to impair its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy.