

4Thought Financial Group Inc.

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WRAP FEE PROGRAM BROCHURE

January 1st, 2019

This wrap fee program brochure provides information about the qualifications and business practices of 4Thought Financial Group Inc. If you have any questions about the contents of this brochure, please contact us at 516-300-1617 or info@4TFG.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Registration with the SEC does not imply any particular level of skill or training.

Additional information about 4Thought Financial Group Inc. is available on the SEC's website at www.adviserinfo.sec.gov.

Material Changes

Material (and immaterial) changes to 4Thought Financial Group Inc.'s policies, practices or conflicts of interest since our last Brochure dated January 1st, 2018 include:

- Inclusion of description of new investment strategy/composite “Multi-Contingency Unconstrained”. (Immaterial change)
- Update of descriptions on “Multi-Contingency Aggressive”, “Multi-Contingency Moderate”, and “Multi-Contingency Conservative” strategies/composites. (Immaterial change)
- Update to primary benchmarks (due to discontinuation of a previously used index) on “Multi-Contingency Aggressive”, “Multi-Contingency Moderate”, “Multi-Contingency Conservative”, “Opportunistic Systematic Investing”, “Global Opportunistic Accumulation”, and “Global Opportunistic Distribution” strategies/composites. (Immaterial change)

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Services, Fees and Compensation

Services

4Thought Financial Group Inc. (“4Thought” or the “firm”) provides investment advisory services and acts as a wrap fee program sponsor to individuals, trusts, pension plans and other retirement plans, corporations, non-profit/tax-exempt organizations, and other registered investment advisers (under RIA Solicitor arrangements), in accordance with the investment objective(s) of the client.

4Thought also provides portfolio management services to the clients of third party registered investment advisers through sub-advisory, assets-under-advisory, and Separately Managed Account platforms (in which another firm acts as wrap program sponsor). The firm also provides financial planning services. These services are described in a separate brochure, a copy of which is available upon request.

For clients who have already developed their investment plan through 4Thought Financial Group, with a third party advisory firm, or without the aid of an advisor, 4Thought Financial Group will implement their plan with the creation and management of an investment portfolio in a wrap fee managed account. Upon completion of a financial planning process or the firm’s Portfolio Assessment Questionnaire (in either paper or electronic form) to gauge risk tolerance, objectives, investment time horizon, and philosophical preferences, 4Thought Financial Group will generate an investment proposal, implement it, and will provide ongoing portfolio management and communication to third party firm advisors referring clientele and to the end user client, as is appropriate for the situation. We may manage portfolios (depending on program selected) using non-proprietary exchange-traded funds (ETFs), institutional share class mutual funds, no-load funds, and load-waived funds, as well as individual securities (bonds and stocks). 4Thought Financial Group does not use any proprietary mutual funds or ETFs in any of its programs. However, 4Thought uses proprietarily developed Separately Managed Account (SMA) strategies. 4Thought utilizes a Multi-Contingency Investing methodology and Risk Premium Capital Allocation (RPCA) in constructing and managing client portfolios (see “Portfolio Manager Selection and Evaluation – Methods of Analysis, Investment Strategies and Risk of Loss” below for more information).

The firm offers 16 model-driven SMAs (and custom portfolios on request with prior approval):

Custom/ Liability-Driven Investing

- Custom/Liability-Driven Investing SMAs are 100% customizable and made available for multiple purposes. They can be used to create a structured liability-driven investing portfolio, to address client-directed modifications to our other model-driven SMAs, or to manage a completely customized portfolio for a discerning client or advisor (typically at slightly higher expense than comparable model-driven SMAs). In addition they can be used to address third party advisor needs such as the involvement of 4Thought in client relationship management.

Fixed Income Plus - Tax Neutral

- Provides a diversified core bond allocation, with a primary component that attempts nominal capital preservation using laddered target date bond exchange traded funds and/or laddered individual bonds, and a secondary variable component that seeks higher income potential and hedging against potential interest rate rises and inflation through actively managed non-laddered bond ETFs (diversified by type, sector, maturity, and geography). The target asset allocation is 100% Bonds/ Credit Markets. The primary benchmark is the Barclays US Aggregate 1-5 Year TR USD Index.

Traditional Stock Allocation

- This portfolio provides a traditional US-centric strategic asset allocation investment approach in a simplified ETF-based structure for the all-stock investor. The portfolio is appropriate for accumulation phase investors with a very long time horizon, those seeking significantly above-inflation long term returns, or those seeking to complement a pre-existing fixed income portfolio in a tax efficient manner. The portfolio is composed of a diversified US-centric stock allocation (ETFs), with minor allocations to international developed and emerging markets. The percentage split between each of the components is

rebalanced on an ongoing basis. The target asset allocation is 100% Stock/Equity Markets. The primary benchmark is the S&P 500 TR USD Index.

Global Strategic Accumulation

- This growth-focused portfolio provides long term strategic asset allocation exposures to stock, bond, and hard asset markets on a global basis (domestic, international developed, and emerging markets) with attention to managing political and currency risks through diversification and hedging. Diversity, security selection, and ongoing rebalancing of the portfolio are the focus of management. The objective is long term portfolio growth and inflation protection reasonably consistent with the performance of the global stock markets, but with greater asset-type diversity. The target asset allocation range is 60-100% Stock Markets/ 0-40% Diversifying Credit and Hard Asset Markets. Allocations may deviate from specific targets based on market value changes and management decisions. The primary benchmark is the S&P 500 TR USD Index.

Global Opportunistic Accumulation

- This aggressive growth portfolio uses an unconstrained allocation method that provides the potential for reduction of risks associated with the financial system (“systematic risk”) through low correlation with the equity and fixed income markets, while targeting growth and inflation protection. These goals are pursued through highly active portfolio manipulation using an opportunistic probability-based statistical analysis methodology (with a discretionary model intervention management overlay). Long term growth with low correlation to the global stock and bond market indexes is attempted, in an effort to both protect to the downside where possible and perform well on the upside by moving up to *100% of the portfolio* to the asset class / security deemed most favorable at any given time. This entails significant management-related risks. The portfolio remains liquid, with no lock-up periods or surrender charges that apply, and provides investment philosophy diversification. The asset allocation is 100% Unconstrained. The primary benchmark is the Bloomberg Barclays US Treasury US TIPS TR USD Index. The benchmark was changed on June 30th, 2017 due to discontinuation of the previous index (Deutsche Bank Hedge Fund TR USD Index).

Global Opportunistic Distribution

- This portfolio uses an income-focused unconstrained method to provide the potential for reduction of risks associated with the financial system (“systematic risk”) through low correlation with the equity and fixed income markets, while targeting modest total return income and inflation protection. These goals are attempted through highly active portfolio manipulation using an opportunistic probability-based statistical analysis methodology. Special efforts are taken to protect to the downside where possible, to generate income on the upside on a total return basis, and to provide low correlation with the global stock and bond markets, by tactically manipulating allocations to cash and the multiple components in the potential asset type list. This entails significant management-related risks. The portfolio remains liquid, with no lock-up periods or surrender charges that apply, and provides investment philosophy diversification. The asset allocation is 100% Unconstrained. The primary benchmark is the Bloomberg Barclays US Treasury US TIPS TR USD Index. The benchmark was changed on June 30th, 2017 due to discontinuation of the previous index (Deutsche Bank Hedge Fund TR USD Index).

Opportunistic Systematic Investing

- This portfolio is intended for use by regular systematic investors with an intermediate to long term or aggressive growth goal. A portfolio is gradually built on an opportunistic basis and periodically reconstituted in an attempt to grow the portfolio with low correlation to the global equity and fixed income markets. Each new investment cash flow is invested in the asset class deemed to be most favorably priced using an opportunistic probability-based statistical analysis methodology (with a discretionary model intervention management overlay). Once assets previously purchased are no longer deemed to be favorably priced, they are sold and reinvested in the newly calculated favorably-priced asset. Management will attempt to reduce “systematic” market risk as it relates to the portfolio where possible, through low stock and bond market correlation. This entails significant management-related risks. The portfolio remains liquid, with no lock-up periods or surrender charges that apply, and provides investment philosophy diversification. The asset allocation is 100% Unconstrained. The primary benchmark is the Bloomberg

Barclays US Treasury US TIPS TR USD Index. The benchmark was changed on June 30th, 2017 due to discontinuation of the previous index (Deutsche Bank Hedge Fund TR USD Index).

Global Thematic Accumulation (formerly “Global Thematic”)

- This portfolio is intended to provide the potential for long term market outperformance through a highly concentrated individual stock and/or ETF portfolio. A larger initial global all-cap list of securities is first screened through a multi-factor fundamental, technical, and quantitative model to select the final concentrated portfolio, which is composed of a very limited number of securities (typically 4, but up to 25). It is then continuously reallocated and rebalanced based on algorithmic analysis. This portfolio is not diversified and represents significant concentration risks to the investor. Volatility is not a consideration in this portfolio’s goal of achieving high long term growth. The target asset allocation is 100% Stock/Equity/Hard Asset Markets. A 0-3% allocation to cash deposits/ money market is maintained for operational purposes. The inception date for the composite is June 1st, 2012 and the composite creation date is January 14th, 2013. As of January 24th, 2014 the composite name was changed from Global Thematic to Global Thematic Accumulation. The primary benchmark is the S&P 500 TR USD Index.

Global Selective Distribution (formerly “Global Strategic Distribution”)

- This income-focused portfolio provides selective exposures to securities in the stock, bond, and hard asset markets on a global basis. The focuses of management are the maintenance of a relatively concentrated securities portfolio through a multi-factor algorithmic selection process; asset-type and sector-based diversity; the generation of income for withdrawals; and ongoing rebalancing of the portfolio. The objective is to provide higher income than the broader equity and fixed income markets while allowing the principal to adjust with inflation (on average, over the long term). The relative concentration of the portfolio amongst a limited number of individual securities means that assets are more exposed to the idiosyncratic risks of these securities than a more diverse portfolio. The target asset allocation ranges are 20-40% Bond and Credit Markets/ 40-80% Stock Markets/ 0-20% Hard Asset Markets. A 0-5% allocation to cash deposits/ money market is maintained for operational purposes. Allocations are permitted to deviate significantly from targets based on market value changes prior to rebalancing. The inception date for the composite is June 1st, 2012 and the composite creation date is February 4th, 2013. The primary benchmark is a blended index composed of 40% Barclays US Aggregate 1-5 Year TR USD Index / 60% S&P 500 TR USD Index (rebalanced monthly). The name of the composite was changed from Global Strategic Distribution to Global Selective Distribution on January 1st, 2018.

Thematic Systematic Investing

- This portfolio is optimized for ongoing systematic investors and intended to provide the potential for long term market outperformance through a concentrated individual stock and/or ETF portfolio. A larger initial global all-cap list of securities is first screened through a fundamental analysis security selection algorithm and ranked for valuation. New investment cash flows and any security sale proceeds are invested in the security deemed to be the most undervalued. Once securities previously purchased are no longer deemed to be favorably priced, they are sold and reinvested in a newly calculated favorably-priced security. This portfolio is not necessarily diversified and may represent significant concentration risks to the investor. Portfolio volatility is not a consideration in this portfolio’s goal of achieving high long term growth. The target asset allocation is 100% Stock/Equity/Hard Asset Markets. A 0-3% allocation to cash deposits/ money market is maintained for operational purposes. The inception date for the composite is March 1st, 2014 and the composite creation date is March 4th, 2014. A break in the performance track record occurred from the period 7/1/14 to 7/31/14 due a lack of accounts in the composite. The primary benchmark is the S&P 500 TR USD Index.

Multi-Contingency Conservative

- This portfolio provides a coordinated multi-methodology investment approach in a single simplified portfolio structure for the conservative risk tolerance investor. The portfolio is appropriate for accumulation phase investors with a short time horizon, those seeking inflation-adjusted capital preservation, or those seeking a modest immediate income. A minimum of 75% of the portfolio (but up to 100%) is allocated to laddered target date or other bond exchange traded funds at all times. The remainder may be allocated amongst three additional method components: A diversified strategic global all-cap stock (ETF) portfolio; a

portion that is managed on an unconstrained basis and is opportunistically shifted up to 100% to the asset class(es) (ETFs) determined to be the most favorably priced at any given time; and a portion that may be allocated to selected individual stocks. The percentage split between each of the portfolio components is rebalanced/reallocated on an ongoing basis. The target asset allocation is 75%-100% Bond/ Credit Markets, 0-25% Stock/Equity Markets and Unconstrained. A 0-3% allocation to cash deposits/ money market is maintained for operational purposes. The primary benchmark is a blended index composed of 75% Barclays US Aggregate 1-5 Year TR USD/ 20% S&P 500 TR USD/ 5% Bloomberg Barclays US Treasury US TIPS TR USD (rebalanced monthly). The benchmark was changed on June 30th, 2017 due to discontinuation of a previous index component (Deutsche Bank Hedge Fund TR USD Index).

Multi-Contingency Moderate

- This portfolio provides a coordinated multi-methodology investment approach in a single simplified portfolio structure for the moderate risk tolerance investor. The portfolio is appropriate for accumulation phase investors with an intermediate time horizon, those seeking slightly above-inflation returns, or those seeking a moderate immediate income. A minimum of 50% of the portfolio (but up to 100%) is allocated to laddered target date or other bond exchange traded funds at all times. The remainder may be allocated amongst three additional method components: A diversified strategic global all-cap stock (ETF) portfolio; a portion that is managed on an unconstrained basis and is opportunistically shifted up to 100% to the asset class(es) (ETFs) determined to be the most favorably priced at any given time; and a portion that may be allocated to selected individual stocks. The percentage split between each of the portfolio components is rebalanced/reallocated on an ongoing basis. The target asset allocation is 50%-100% Bond/Credit Markets, 0-50% Stock/Equity Markets and Unconstrained. A 0-3% allocation to cash deposits/ money market is maintained for operational purposes. The primary benchmark is a blended index composed of 50% Barclays US Aggregate 1-5 Year TR USD/ 40% S&P 500 TR USD/ 10% Bloomberg Barclays US Treasury US TIPS TR USD (rebalanced monthly). The benchmark was changed on June 30th, 2017 due to discontinuation of a previous index component (Deutsche Bank Hedge Fund TR USD Index).

Multi-Contingency Aggressive

- This portfolio provides a coordinated multi-methodology investment approach in a single simplified portfolio structure for the aggressive risk tolerance investor. The portfolio is appropriate for accumulation phase investors with a long time horizon, those seeking significantly above-inflation returns, or those seeking a high immediate income. A minimum of 25% of the portfolio (but up to 100%) is allocated to laddered target date or other bond exchange traded funds at all times. The remainder may be allocated amongst three additional method components: A diversified strategic global all-cap stock (ETF) portfolio; a portion that is managed on an unconstrained basis and is opportunistically shifted up to 100% to the asset class(es) (ETFs) determined to be the most favorably priced at any given time; and a portion that may be allocated to selected individual stocks. The percentage split between each of the portfolio components is rebalanced/reallocated on an ongoing basis. The target asset allocation is 25%-100% Bond/Credit Markets, 0-75% Stock/Equity Markets and Unconstrained. A 0-3% allocation to cash deposits/ money market is maintained for operational purposes. The primary benchmark is a blended index composed of 25% Barclays US Aggregate 1-5 Year TR USD/ 50% S&P 500 TR USD/ 25% Bloomberg Barclays US Treasury US TIPS TR USD (rebalanced monthly). The benchmark was changed on June 30th, 2017 due to discontinuation of a previous index component (Deutsche Bank Hedge Fund TR USD Index) and inconsistency of the previous blended index mix with the composite mix.

Multi-Contingency Unconstrained

- This portfolio provides a coordinated multi-methodology investment approach in a single simplified portfolio structure for the high risk tolerance long term investor. The portfolio is appropriate for accumulation phase investors with a time horizon of at least one or more market cycles, those seeking significantly above-inflation returns, or those seeking a very high immediate income (and willing to accept potentially high volatility). The portfolio is unconstrained in its ability to allocate or shift between four investing method components: A portion that may be allocated to laddered target date or other bond exchange traded funds; a diversified strategic global all-cap stock (ETF) portfolio; a portion that is managed on an unconstrained basis and is opportunistically shifted up to 100% to the asset class(es) (ETFs) determined to be the most favorably priced at any given time; and a portion that may be allocated to selected individual stocks. The percentage split between each of the portfolio components is

rebalanced/reallocated on an ongoing basis. The asset allocation is 100% Unconstrained (Allocations to all asset classes are permitted). A 0-3% allocation to cash deposits/ money market is maintained for operational purposes. The primary benchmark is the Bloomberg Barclays US Treasury US TIPS TR USD Index.

Traditional Conservative Allocation

- This portfolio provides a traditional US-centric strategic asset allocation investment approach in a simplified ETF-based structure for the conservative risk tolerance investor. The portfolio is appropriate for accumulation phase investors with a short time horizon, those seeking inflation-adjusted capital preservation, or those seeking a modest immediate income. Approximately 75% of the portfolio is composed of laddered fixed maturity date and variable corporate bond exchange traded funds, with 25% in a diversified US-centric stock allocation (ETFs). The percentage split between each of the components is rebalanced on an ongoing basis. The target asset allocation is 75% Bond/Credit Markets, 25% Stock/Equity Markets. The primary benchmark is a blended index composed of 75% Barclays US Aggregate 1-5 Year TR USD/ 25% S&P 500 TR USD (rebalanced monthly).

Traditional Moderate Allocation

- This portfolio provides a traditional US-centric strategic asset allocation investment approach in a simplified ETF-based structure for the moderate risk tolerance investor. The portfolio is appropriate for accumulation phase investors with an intermediate time horizon, those seeking slightly above-inflation returns, or those seeking a moderate immediate income. Approximately 50% of the portfolio is composed of laddered fixed maturity date and variable corporate bond exchange traded funds, with 50% in a diversified US-centric stock allocation (ETFs). The percentage split between each of the components is rebalanced on an ongoing basis. The target asset allocation is 50% Bond/Credit Markets, 50% Stock/Equity Markets. The primary benchmark is a blended index composed of 50% Barclays US Aggregate 1-5 Year TR USD/ 50% S&P 500 TR USD (rebalanced monthly).

Traditional Aggressive Allocation

- This portfolio provides a traditional US-centric strategic asset allocation investment approach in a simplified ETF-based structure for the aggressive risk tolerance investor. The portfolio is appropriate for accumulation phase investors with a long time horizon, those seeking significantly above-inflation returns, or those seeking a high immediate income. Approximately 25% of the portfolio is composed of laddered fixed maturity date and variable corporate bond exchange traded funds, with 75% in a diversified US-centric stock allocation (ETFs). The percentage split between each of the components is rebalanced on an ongoing basis. The target asset allocation is 25% Bond/Credit Markets, 75% Stock/Equity Markets. The primary benchmark is a blended index composed of 25% Barclays US Aggregate 1-5 Year TR USD/ 75% S&P 500 TR USD (rebalanced monthly).

The firm generally tailors its advisory services to the individual needs of clients based on the client's completion of a Portfolio Assessment Questionnaire and/or a financial planning process. We customize the services for the individual clients, but they are generally based on portfolio modeling utilized for a large number of clients. In model-driven portfolios, clients may not impose restrictions on investing in certain securities or types of securities. However, customized portfolio modeling that takes client-imposed restrictions into account may be available in certain situations at additional cost.

Fees

An annual percentage of assets under management fee will be calculated and deducted directly from the client account. The fee shall be paid quarterly and covers the investment advisory services of 4Thought, as well as charges for execution of transactions through the brokerage firm, clearance of funds and securities through the custodian, custody of account assets with the custodian and electronic account reporting by the custodian (Client requests for paper delivery of reporting by the custodian may require additional charges. Please refer to the custodian agreement for details on this and any other potential ancillary charges). As a result, the client may pay more or less for these services than if they were purchased separately. Factors that bear upon the cost of the program in relation to the cost of the same services purchased separately include, among other things, the type and size of the account and the

historical and/or expected size or number of transactions in the account. The fee does not cover certain charges that may be assessed by the custodian/brokerage firm from time to time based on special requests from Client.

The fee is paid quarterly in arrears. The client should refer to the separate agreement with the brokerage firm/custodian for information on specific details on the calculation and timing of fee billing. The first payment is due at the end of the first calendar quarter of management by 4Thought. For the first partial quarter and each quarter thereafter, the schedule of fees shall be applied to the average daily fair market value of the assets in the account during the quarter, as calculated after quarter-end. For the initial partial quarter, the fee shall be determined by daily proration.

4Thought may invest assets of the account in shares of investment companies ("Funds"). With respect to mutual funds or ETFs held in a client's account, fees payable to 4Thought Financial Group are in addition to expenses and ordinary fees borne by these holdings. 4Thought Financial Group's fees could be avoided if the client invested directly in mutual funds and ETFs. The account assets invested in the Funds will be included in calculating the value of the account for purposes of computing the fees and the same assets will also be subject to the advisory and other fees and expenses as set forth in the prospectuses of the Funds, paid by the Funds but ultimately borne by the investor.

Upon termination of the advisory agreement, the advisory fee is prorated to the date of termination. The client should refer to the separate agreement with the brokerage firm/custodian for information related to any termination fees that may be incurred or other considerations such as difficulties related to the in-kind transfer of fractional shares of securities. The client may wish to request that 4Thought liquidate any fractional shares held in the account prior to termination of the Investment Advisory Agreement for ease of outbound transfers.

The minimum initial investments in the below table(s) may be waived by 4Thought under certain circumstances, such as for subscription/retainer fee financial planning clients; for clients that establish a minimum recurring systematic investment bank link; and for plan participants in the 4Thought Retirement Plan Services program. The actual total advisory fee to be paid by each client is disclosed at opening of the account in the Investment Advisory Agreement and/or during the custodial account opening process (for accounts opened electronically), and is based on the ranges stated in the following table(s):

Standard Program Total Fees	Model-Driven Portfolios	Custom
Minimum Initial Investment	\$500 Non-Qualified (NQ) \$10,000 Qualified (Q)	\$500 NQ \$10,000 Q
\$0-\$10,000,000	0.55% - 1.85%	0.55% - 1.85%
\$10,000,000+	0.35% - 1.65%	0.35% - 1.65%

Retirement Plan Services Fees	Discretionary Managed Accounts and QDIA	Participant Directed Investment Options
Custody/Brokerage Fees	0.10%	0.10%
Portfolio Management Fees	0.45%	0.45%
IAR/Solicitor Fees	0% - 1.00%	0% - 1.00%
Total Fees	0.55% - 1.55%	0.55% - 1.55%

4Thought reserves the ability to reduce both the minimum initial investment and the lower limit of the fee ranges stated above as it deems appropriate.

Depending on the source of the client introduction, the annual AUM fee percentage may be determined in the discretion of the referring third party Registered Investment Adviser, the associated 4Thought Investment Adviser Representatives (“IAR(s)”), or centrally by 4Thought management (in the case of clients introduced through a web-based interface). 4Thought employs Investment Adviser Representatives compensated through a combination of salary/bonus, and other IARs that are compensated solely through a percentage of assets under management (non-salaried). IARs of 4Thought who recommend the program to a client may receive compensation as a result of the client’s participation in the program. The amount of this compensation may be more than what the IAR would receive if the client participated in other programs or paid separately for investment advice, brokerage and other services. Accordingly, in many cases, the IAR may have a financial incentive to recommend the program over other programs or services. In the cases of client introductions from third-party Registered Investment Advisers and assigned non-salaried 4Thought IARs compensated on the basis of assets under management, compensation paid to the RIA/IAR is a contact-based percentage of the amount of the total fee that exceeds 0.55% for model-driven portfolios (0.35% for accounts with an initial investment of \$10M+). This 0.55% (or 0.35%) amount may be different for custom-managed non-model portfolios, in which it is priced on a case-by-case basis by 4Thought management.

Account Requirements and Types of Clients

4Thought Financial Group provides portfolio manager services to individuals, trusts, pension plans and other retirement plans, corporations, non-profit and tax-free organizations, and other registered investment advisers.

Clients are required to establish an account with a custodian/brokerage firm with whom 4Thought has pre-negotiated pricing as part of the Wrap Fee Program for the purposes of custody, clearing, and brokerage. Please refer to the separate agreement with the custodian/brokerage firm for details on their services. 4Thought Financial Group’s minimum initial investment requirements are described above under “Fees.” The minimum initial investments for each strategy may be waived by 4Thought under certain circumstances, such as for subscription/retainer fee financial planning clients, for clients that establish a minimum recurring systematic investment bank link, and for plan participants in the 4Thought Retirement Plan Services program.

Portfolio Manager Selection and Evaluation

4Thought manages all sponsored wrap fee program accounts directly on a discretionary trading authorization basis, and does not outsource portfolio management to third party “Portfolio Managers” in its wrap fee program, except to the extent that investment companies (“funds” – typically exchange traded funds) are used within an account. Instead, 4Thought offers and recommends to clients one or more proprietarily managed Separately Managed Account (SMA) strategies, each of which is centrally managed (at the firm level) according to a specific mandate using a different formula-driven (algorithmic) process. Each of these strategies is developed and implemented centrally at the firm level by the Portfolio Management Team, and is not dependent on the abilities of an individual Investment Adviser Representative or “Portfolio Manager”.

The Portfolio Management Team consists of a Chief Investment Officer (CIO), a group Investment Committee, and Portfolio Team members. The CIO takes ownership of the firm-level and strategy-level creative process, seeks Investment Committee approval, and manages implementation. The Investment Committee reviews and approves the CIO creative process, provides input, and elects a new CIO from the Portfolio Team Member pool in a succession event. Portfolio Team Members aid in the implementation of portfolio mandates under the direction of the CIO. Duties include tasks such as operational management; raw data processing and analysis according to pre-set formula; trading system model setting; block trade generation, account customizations, and ensuring proper execution/allocation. Portfolio Team Members are cross-trained in the formulaic decision making processes behind each of the portfolio strategies offered by 4Thought through both group training and individual role assignments by the CIO. They are also able to provide input in the creative process of portfolio formula design. This cross training in each strategy/formula process ensures that the Investment Committee can appoint from inside the company in the

event of a succession event for the CIO, thereby allowing continuity for the client firms that utilize the 4Thought strategies, as well as for the end user investor client.

For cases in which end-user Clients work with 4Thought through an introducing third party RIA Solicitor, a 4Thought IAR will not be assigned to the case, and the 4Thought Portfolio Management Team works directly with the third-party RIA/IAR(s) to ensure the appropriate provision of services to the end-user client. For cases in which end-user Clients work directly with 4Thought (and not through an introducing third party Registered Investment Adviser), 4Thought's central management will assign one or more individual Investment Adviser Representatives to the case. IARs of 4Thought do not have trading discretion on client accounts and do not act as "Portfolio Managers". Investment Adviser Representatives instead act as a liaison between the Client and the central management team, and are responsible for communicating changes in needs/objectives/circumstances between the two parties, and for providing advice/recommendations to clientele related to their investment advisory accounts (and potentially broader financial planning and wealth management concerns – if such services have been elected separately).

Performance and Verification

4Thought Financial Group Inc. ("4Thought") claims compliance with the Global Investment Performance Standards (GIPS®) and prepares and presents performance reports in compliance with the GIPS standards. 4Thought is annually independently verified for these purposes. The verification report(s) is/are available upon request.

Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

The firm definition excludes any third-party asset management programs over which 4Thought maintains oversight advisory agreements on behalf of its clients, any arrangements under which 4Thought provides recommendations for client self-implementation, and any assets under advisory but not under direct management (in which 4Thought provides allocation changes or trading signals to third party firms but does not take discretion over the trading of client accounts). The firm's list of composite descriptions is available upon request. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm.

Policies and Procedures for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

Advisory Business

4Thought Financial Group Inc. provides investment advisory and portfolio management services while acting as a wrap fee program sponsor to individuals, trusts, pension plans and other retirement plans, corporations, non-profit/tax-exempt organizations, and other registered investment advisers (under RIA Solicitor arrangements), in accordance with the investment objective(s) of the client.

4Thought also provides portfolio management services to the clients of third party registered investment advisers through sub-advisory, assets-under-advisory, and Separately Managed Account platforms (in which another firm acts as wrap program sponsor). The firm also provides financial planning services. These services are described in a separate brochure, a copy of which is available upon request.

4Thought directly manages client accounts on a discretionary trading authorization basis only through wrap fee accounts, both as a sponsor through the wrap fee program described in this document, and through other wrap fee programs sponsored by third parties. It does not manage other types of accounts with trading authorization, and there is therefore no difference between 4Thought's management of wrap fee accounts and its management of other types of accounts.

In model-driven portfolios, clients may not impose restrictions on investing in certain securities or types of securities. However, customized portfolio modeling that takes client-imposed restrictions into account may be available in certain situations at additional cost.

Performance-Based Fees and Side-by-Side Management

4Thought Financial Group does not charge performance-based fees.

Methods of Analysis, Investment Strategies and Risk of Loss

Methods of determining portfolio objectives/suitability for the client

Multi-Contingency Investing Portfolio Assessment Questionnaire

Upon completion of a paper or electronic form Portfolio Assessment Questionnaire to gauge risk tolerance, objectives, investment time horizon, and contingency preferences, 4Thought Financial Group will generate an investment proposal, implement it, and provide ongoing portfolio management. An assigned Investment Adviser Representative(s) of 4Thought (or of a third party Registered Investment Adviser if applicable) will act as a liaison for maintaining ongoing communication between the client and 4Thought's central management for the purposes of continuous adjustment and portfolio updating to the needs of the client. In the case of clients introduced through an electronic interface, this ongoing communication and updating is provided by 4Thought's central management, salaried personnel, and automated electronic systems.

Portfolio Construction

Overall Methodology: Multi-Contingency Investing and RPCA

4Thought Financial Group utilizes Multi-Contingency Investing and Risk Premium Capital Allocation (RPCA) in the development and management of investment advisory accounts for clients. By diversifying client portfolios at the level of the investment methodology (four methodologies are used to capitalize on four potential risk premiums under "Risk Premium Capital Allocation"), we attempt to increase the probability that our clients' personal and investment objectives will be achieved over time. We may construct portfolios by applying one investment methodology towards each investment goal, or may include multiple investment methodologies for a single goal, depending on the situation. Four primary methodologies of investment are utilized by 4Thought Financial Group in direct management of investment advisory accounts:

Liability-Driven Investing

(May apply to Custom/Liability-Driven Investing, Fixed Income Plus Tax Neutral, Multi-Contingency Portfolios, and Traditional Allocation Portfolios)

For a series of known specific investor liabilities or risks, we select, buy, and hold a matching series of investment instruments in an attempt to directly offset the liabilities/risks and ensure that investor goals are achieved regardless of the performance of the broader financial markets. This method generally will feature no guideline or restriction on the appropriate allocation of assets, and up to 100% of the portfolio may be invested in a single product/security/asset if this is deemed appropriate to achieve goals (although this is usually not the case). In many cases, the methodology may include the heavy use of "guaranteed" insurance products, fixed income instruments, or derivative securities, each of which may entail significant issuer credit risks or insurance/hedging costs. The investor accepts these costs/risks in the pursuit of greater predictability in the achievement of his/her highly specific financial goals.

Strategic Asset Allocation

(May apply to Global Strategic Accumulation, Multi-Contingency Portfolios, and Traditional Allocation Portfolios)

This method focuses on building diversified portfolios of stocks, bonds, and hard assets in an attempt to reduce the level of risk undertaken in attempting to achieve a target rate of return. The portfolio manager generally adheres to a strategic fully invested methodology and applies Modern Portfolio Theory, in which the major asset allocation components of the portfolio experience little or no tactical shifting in expectation of changes in the financial markets, while the sub-components of the portfolio may be actively traded by

specialized money managers (depending on whether index-based or active implementation has been utilized). Rebalancing is used as a systematic means to attempt to buy low and sell high, and to limit portfolio volatility. The overlay portfolio manager attempts to reduce transaction costs such as the bid-ask spread to the investor and to limit the possibility of human error detracting from the performance of the portfolio over the long term. Portfolios managed using only this method cannot in theory or in practice limit financial systemic risk as it applies to an investor portfolio.

Opportunistic/Tactical/Absolute Return Investing:

(May apply to Global Opportunistic Accumulation, Global Opportunistic Distribution, Opportunistic Systematic Investing, and Multi-Contingency Portfolios)

In the various Opportunistic, Tactical Asset Allocation, and Absolute Return sub-methodologies, portfolio managers may have no constraint to use any predetermined asset allocation, and instead may have the flexibility to actively shift up to 100% of the portfolio to any class of assets that the portfolio manager deems appropriate. The objective is often to limit the downside risk to the portfolio (not necessarily through diversification, but often through active trading-based risk management) while capturing upside returns; or to achieve the maximum return available during any given short time period regardless of broader market performance (potentially using leverage, shorting, or derivatives). The portfolio manager mandate may incorporate both of these objectives. This unconstrained methodology and the ability to tactically shift to cash means that the portfolio manager is theoretically capable of limiting financial/economic system risks as they apply to the investor's portfolio, and of producing superior market-relative performance. However, the lack of constraints on the portfolio managers may also result in substantial costs and risk. Mutual fund and SMA components of such portfolios are generally prone to higher internal costs (i.e., the bid-ask spread, expense ratios). Also, opportunistic methods may be highly subject to human error and/or quantitative model error, resulting in potential underperformance of the markets in general if the managers do not succeed in their mandate.

Selective/Concentrated/Thematic Investing:

(May apply to Global Thematic Accumulation, Global Selective Distribution, Thematic Systematic Investing, and Multi-Contingency Portfolios)

In the Selective/Concentrated and Thematic Investing philosophical category, portfolios managers will generally set a concentrated or non-diversified initial allocation and manage individual positions in a very focused manner, in some cases attempting to purchase new holdings at opportunistic value prices when possible. This methodology will typically define asset classes differently than more conventional asset allocation, such as into country-based components, industry/economic sector components, and specific themes, potentially with no attention to style or market capitalization. Portfolios are typically highly concentrated in certain areas based on the portfolio manager's probability-determined future-focused capital market assumptions, which may place little or no merit in historical averages. In this sense, portfolios are not "fully diversified." Concentrated positions may be defined based on valuations and/or thematically, where the theme is expected to result in long term superior sector or security performance. This investment methodology is most aptly applied for investors that have a very long time horizon and are capable of tolerating high volatility in their portfolio. Investors must be aware of the risks associated with having a portfolio invested in this manner. While the potential for high returns may exist, the portfolio may also be at risk of substantial loss. In addition, investors must recognize that even if concentrated positions do eventually appreciate in value over the long term, long intervening periods of time may exist in which the positions decrease in value substantially or exhibit high degrees of volatility. If the investor is comfortable with accepting these risks in order to pursue the potential returns associated, then this is an option to be considered for the portfolio objective in question. Alternatively, the inclusion of such a philosophical component as part of the broader portfolio for an investment objective may at times provide an effective hedge against underperformances elsewhere in the aggregate investor portfolio.

Investment Vehicles and Portfolio Construction Logistics

Depending on the portfolio modeling used, accounts may contain individual bonds, exchange traded funds, institutional share class, load-waived and no-load mutual funds, individual stocks, options, and potentially other types of securities. During a planning process, additional types of assets may be recommended for purchase outside of the managed accounts, including annuities and life insurance products. Within

managed accounts, we may use specialized modeling for various investor objectives of capital preservation/savings, distribution/income, and accumulation/growth. Each Separately Managed Account strategy (other than custom portfolios) is managed to follow a preset formula or process designed to systematically implement the SMA mandate, with human intervention occurring only as necessary to adjust or refine the preset formula.

Manager/Holding Due Diligence

4Thought Financial Group uses an open architecture security selection methodology within each managed account strategy. The firm does not have any proprietary products or funds. This means that the portfolio will include what we believe are the most suitable stocks, bonds, ETFs, and fund managers from the universe of securities that are publicly available. The firm utilizes both proprietary and independent third party research in surveying the field of available fund managers and individual stock/bond securities for potential inclusion in the portfolio model. A set of proprietary criteria is utilized in determining final selections for each subcomponent holding. A different set of criteria is applied in each investment model or separately managed account.

Ongoing Implementation

Once we construct a portfolio, we will continuously manage it. This will involve systematic investments and withdrawals management; the rebalancing of your account to the appropriate split between your investment methodologies and each of their sub-components (which will occur with a different frequency depending on the portfolio goals); opportunistic and selective rebalancing when deemed appropriate; the monitoring of selected managers and holdings with replacement when necessary; continuous updating of the portfolio to adjust for industry/methodology changes; detailed performance reporting on your accounts, and regular portfolio review/adjustment to ensure that your portfolio continues to be appropriate for your goals and situation. We also incorporate a formalized electronically documented annual review process initiated by an emailed request to complete an electronic questionnaire.

Risks

Investing in securities involves risk of loss that clients should be prepared to bear.

In addition to the risks noted in the description of each 4Thought investment methodology, material risks involved in investing in our investment programs include:

Market Risk – All securities are subject to market risk. The values of the securities held by a client may fall rapidly or unpredictably due to a variety of factors, including changing economic, political or market conditions.

Foreign Securities Risks – The risks may be enhanced depending on the market (e.g., whether the country is developed or developing). The risks of foreign investment include: less liquidity, enhanced volatility due to currency, social and political instability, restrictions on foreign investment and repatriation of capital, less complete and reliable information about foreign companies, reduced government supervision of some foreign securities markets, lower responsiveness of foreign management to shareholder concerns, economic issues or developments in foreign countries, and, in some cases, emerging markets risks, including limited trading volume, expropriation, devaluation or other adverse political or social developments.

Active and Tactical Management Risks – Active and tactical management involves the risks that the investment decisions made by a manager in using one or both of these strategies may prove to be incorrect, may not produce the returns expected by the manager and may cause an account to lose value.

Mutual Fund/ETF Risk – As a shareholder of mutual funds or ETFs, clients bear their proportionate share of the underlying fund's fees and expenses. As a result, a client's cost of investing may be higher than investment strategies that invest directly in stocks. In addition, a client's investments in mutual funds or ETFs are subject to the

particular risks described in the mutual funds/ETFs' prospectuses, copies of which are provided to the client and which 4Thought Financial Group urges the client to read.

Equity Securities Risk – To the extent a client's account invests in equity investments (i.e., stocks), a particular stock, an industry or stocks in general may fall in value. The value of a client's account will go up and down with the prices of the securities in which the account invests. The prices of stocks change in response to many factors, including the historical and prospective earnings of the issuer, the value of its assets, management decisions, decreased demand for an issuer's products or services, increased production costs, general economic conditions, interest rates, currency exchange rates, geopolitical risks investor perceptions and market liquidity.

Fixed Income Securities Risks – To the extent a client's account invests in fixed income securities (i.e., bonds), the investment may be subject to call risk if call provisions exist, which is the possibility that an issuer may redeem the security before maturity (a call) at a price below its current market price. An increased likelihood of a call may reduce the security's price. If a fixed income security is called, an account may have to reinvest the proceeds in other fixed income securities with lower interest rates, higher credit risk, or other less favorable characteristics.

Debt obligations are also generally subject to the risk that the issuer may be unable to make principal and interest payments when they are due. In addition, securities could lose value because of a loss of confidence in the ability of the borrower to pay back debt. Non-investment grade debt – also known as “high-yield bonds” or “junk bonds” – has a higher risk of default and tends to be less liquid than higher-rated securities.

Fixed income securities are subject to the risk that the securities could lose value because of interest rate changes. For example, bonds tend to decrease in value if interest rates rise. Debt obligations with longer maturities sometimes offer higher yields, but are subject to greater price shifts as a result of interest rate changes than debt obligations with shorter maturities.

Certain fixed income securities, including mortgage-backed securities carry prepayment risks. Prices and yields of mortgage-backed securities assume that the underlying mortgages will be paid off according to a preset schedule. If the underlying mortgages are paid off early, for example when homeowners refinance as interest rates decline, an account may be forced to reinvest the proceeds in lower yielding, high-priced securities. This may reduce an account's total return.

Risks Associated With Options on Securities – There are several risks associated with transactions in options on securities. For example, there are significant differences between the securities and options markets that could result in an imperfect correlation between these markets, causing a given transaction not to achieve its objectives. A decision as to whether, when and how to use options involves the exercise of skill and judgment, and even a well-conceived transaction may be unsuccessful to some degree because of market behavior or unexpected events. As the writer of a covered call option, a client forgoes, during the option's life, the opportunity to profit from increases in the market value of the security covering the call option above the sum of the premium and the strike price of the call, but has retained the risk of loss should the price of the underlying security decline. The writer of an option has no control over the time when it may be required to fulfill its obligation as a writer of the option. Once an option writer has received an exercise notice, it cannot effect a closing purchase transaction in order to terminate its obligation under the option and must deliver the underlying security at the exercise price. If a put or call option purchased by a client is not sold when it has remaining value, and if the market price of the underlying security remains equal to or greater than the exercise price (in the case of a call), or remains less than or equal to the exercise price (in the case of a put), the client will lose its entire investment in the option. Also, where a put or call option on a particular security is purchased to hedge against price movements in a related security, the price of the put or call option may move more or less than the price of the related security. There can be no assurance that a liquid market will exist when a client seeks to close out an option position. If trading were suspended in an option purchased by a client, the client would not be able to close out the option. If restrictions on exercise were imposed, a client might be unable to exercise an option it has purchased. If a client were unable to close out an option that it had purchased on a security, it would have to exercise the option in order to realize any profit or the option may expire worthless. If a client were unable to close out a covered call option that it had written on a security, it would not be able to sell the underlying security unless the option expired without exercise.

Voting Client Securities

4Thought Financial Group does not have authority to vote client securities. Clients will receive their proxies or other solicitations directly from their custodian. Clients may contact 4Thought Financial Group with questions about a particular solicitation.

Client Information Provided to Portfolio Managers

At or prior to opening an account, clients are required to complete a Portfolio Assessment Questionnaire either electronically through the 4Thought Financial Group website at www.4tfg.com (for digital clients introduced through the web interface), or under the guidance of an Investment Adviser Representative (either of 4Thought or a contracted soliciting third party Registered Investment Adviser). Upon completion of a paper or electronic form Portfolio Assessment Questionnaire to gauge risk tolerance, objectives, investment time horizon, and preferences, 4Thought Financial Group's central Portfolio Management Team will generate an investment proposal, implement it, and provide ongoing portfolio management. An assigned Investment Adviser Representative(s) of 4Thought (or of a third party Registered Investment Adviser if applicable) will act as a liaison for maintaining ongoing communication between the client and 4Thought's Portfolio Management Team for the purposes of continuous adjustment and portfolio updating to the needs of the client. In the case of clients introduced through an electronic interface, this ongoing communication and updating is provided by 4Thought's central management, salaried personnel, and automated electronic systems. 4Thought also sends an annual request to clients to complete an electronic questionnaire. The clients' answers to the questionnaire are communicated directly to the Portfolio Management Team and are used to reassess needs and implement any necessary adjustments.

Client Contact with Portfolio Managers

Clients and third party RIA firms may contact and consult with the Portfolio Management Team and/or their assigned 4Thought Investment Adviser Representatives during 4Thought's regular business hours.

Additional Information

Disciplinary Information

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of 4Thought Financial Group's advisory business or the integrity of 4Thought's management.

Other Financial Industry Activities and Affiliations

4Thought uses proprietary developed Separately Managed Account (SMA) strategies when directly managing client accounts. These SMA strategies are also marketed to third party advisory firms as a named and packaged program to be used with their clients, and therefore could be seen as the use of a proprietary product/service when utilized for the individual private clients of 4Thought. This poses a possible conflict of interest when 4Thought's representatives recommend or offer the use of its directly managed accounts in the implementation of fee financial plans for its private individual clients, as 4Thought will receive an investment advisory/ portfolio management fee for management of the accounts if clients choose to implement through 4Thought. This fee and the quality/character of the investment advisory services may differ from services available elsewhere if the client were to implement their investment portfolio through a third party (with or without the introduction of 4Thought). Recognizing this conflict of interests for financial planning fee clients, 4Thought discloses it and offers the additional options to either use third party asset management firms with whom 4Thought has contracted (and will receive a solicitation or advisory fee), or to direct the client in implementing their investment portfolio on their own through third parties of their choice (for which 4Thought will receive no investment advisory or solicitation fee compensation).

In conjunction with the opening of an investment advisory account with 4Thought, clients may be offered to engage in a separate securities lending agreement or loan advance program directly with their account custodian/clearing firm. The custodian will use the client's 4Thought-managed advisory account as the basis for loaned securities or

collateral. Under such arrangements, 4Thought offers these optional services as an intermediary and as a value-add to clients only, and will receive no direct monetary compensation for such arrangements in the form of fees or commissions.

4Thought Financial Group is also licensed as an insurance brokerage. This provides the firm with the means for the full implementation of financial plans for clients, as some aspects of financial planning may call for the clients' acquisition of insurance products, such as life insurance, disability insurance, long-term care insurance and property and casualty insurance, from third party providers. 4Thought Financial Group and its insurance brokers will generally receive insurance commissions for the sale of such products. This may give 4Thought Financial Group an incentive to recommend insurance products based on the compensation it or its insurance brokers receive rather than the client's needs. Recognizing this conflict of interest, 4Thought Financial Group performs ongoing due diligence on any recommended third party providers to ensure that any introductions are suitable to the specific client situation, and also uses multiple providers (sometimes with redundant programs) in order to ensure that client costs remain competitive with the broader market for these services.

4Thought Financial Group is approved for the provision of continuing education course credits (CPE) related to "Advisory Services" to Certified Public Accountants (CPAs).

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

4Thought Financial Group has adopted a code of ethics which sets forth certain standards of business conduct that govern the personal investment activities of the firm's employees and officers, including the standard that the interests of advisory clients must be placed first at all times. The code of ethics requires access persons to report their personal securities transactions on a quarterly basis and their securities holdings upon commencement of employment (or upon becoming an access person) and annually thereafter. Access persons also must obtain approval before they acquire any ownership interest in any security in an initial public offering or limited offering. The code of ethics applies not only to transactions by the individual, but also to transactions for accounts in which the person has an interest individually, jointly or as guardian, executor or trustee, or in which the person or the person's spouse, minor children or other dependents residing in the same household have an interest. Compliance with the code of ethics is a condition of employment. The code of ethics requires all employees and officers to comply with applicable securities laws and to promptly report any violation of the code. Clients may obtain a copy of the firm's code of ethics from 4Thought Financial Group upon request.

The firm's officers and employees may invest in securities that are recommended for purchase or sale by clients. The firm's officers and employees face a conflict of interest when they buy or sell securities at or about the same time that 4Thought Financial Group buys or sells the same securities for client accounts or recommends that clients buy or sell the same securities, because the firm's officers or employees could take advantage of the information regarding the client transactions and execute their trades prior to the clients (commonly called "front running"). However, 4Thought Financial Group's compliance manual provides that securities transactions for the firm's officers and employees are aggregated with those of clients trading through the same brokerage firm.

Review of Accounts

4Thought Financial Group's portfolio management team reviews accounts at least weekly for ongoing adjustment and portfolio update purposes. 4Thought Financial Group provides clients with detailed performance reports which show the value of the account and performance of the client's account relative to benchmarks, both through daily or more frequently updated online reporting and through on-demand aggregated performance reporting. For accounts managed through the 4Thought Retirement Plan Services program, reviews are conducted at least annually by 4Thought and/or an introducing third party RIA at the plan sponsor level. Both plan sponsors and their participants have on-demand online access to their accounts through their Custodian, and participants have the option of electing (or staying in by default) a Qualified Default Investment Alternative (QDIA), which provides a balanced diversified managed account portfolio. An annual review is offered, conducted, and documented for all clients through electronic means centrally by 4Thought management/operations, and clients consent to this process at the time of account opening on signature of the Investment Advisory Agreement. This review is initiated by an emailed request to complete an online questionnaire, and is dependent on the responsiveness of the client to the request for effective completion. Responses to the questionnaire are automatically compared to existing known client objectives, and

4Thought is automatically notified of any changes to objectives. This prompts 4Thought to take action to contact the client to make any necessary adjustments. A similar process is offered to participants in the Retirement Plan Services program, in which plan participants may affirmatively elect a new plan investment option based on the results of a digital questionnaire. In addition, in the case of clients not introduced through a web-based interface, the client's investment adviser representative (either a 4Thought IAR or third party RIA's IAR) may offer the annual (or more frequent) review of the client's account(s) with the client at an in-person, web-based or telephone meeting. The custodian selected by the client provides clients with statements on at least a quarterly basis and confirmation notices as transactions are executed in electronic format. If paper printed documents are required by the client, an additional custodial charge may apply.

Client Referrals and Other Compensation

4Thought Financial Group may receive discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support and/or other products used by the firm in furtherance of its investment advisory business from certain distributors and/or wholesalers. These arrangements present a conflict of interest for 4Thought Financial Group since it has an economic incentive to do business with these distributors or wholesalers. However, 4Thought Financial Group does not favor these distributors or wholesalers over other distributors, wholesalers or product sponsors.

4Thought uses proprietarily developed Separately Managed Account (SMA) strategies when managing client accounts. These SMA strategies are also marketed to third party advisory firms as a named and packaged program to be used with their clients, and therefore could be seen as the use of a proprietary product/service when utilized for the individual private clients of 4Thought. This poses a possible conflict of interest when 4Thought's representatives recommend or offer the use of its directly managed accounts in the implementation of fee financial plans for its private individual clients, as 4Thought will receive an investment advisory/ portfolio management fee for management of the accounts if clients choose to implement through 4Thought. This fee and the quality/character of the investment advisory services may differ from services available elsewhere if the client were to implement their investment portfolio through a third party (with or without the introduction of 4Thought). Recognizing this conflict of interests for financial planning fee clients, 4Thought discloses it and offers the additional options to either use third party asset management firms with whom 4Thought has contracted (and will receive a solicitation or advisory fee), or to direct the client in implementing their investment portfolio on their own through third parties of their choice (for which 4Thought will receive no investment advisory or solicitation fee compensation).

From time to time 4Thought Financial Group may enter into agreements providing cash compensation to accounting firms and other persons who refer clients to the firm ("solicitors"). These agreements require that the solicitor meet certain disclosure and other requirements, as well as comply with other applicable laws and regulations including state securities laws. The terms of the agreements differ somewhat depending upon the circumstances, but generally provide either for compensation equal to a specified percentage of the fees received by 4Thought Financial Group from clients referred, or for fixed compensation.

In addition to normal investment advisory fee and financial planning fee compensation provided to Investment Adviser Representatives of 4Thought for their work with individual clients previously referenced in this document, 4Thought may offer additional compensation arrangements to its IARs by signed addendum to the IAR Agreement. In one such addendum, an IAR may receive compensation via an "Override" arrangement, in which the IAR is paid on an ongoing basis for the referral/introduction of a new IAR hire/recruit, a Non-RIA Solicitor, or an RIA Solicitor of 4Thought's services. The amount of such compensation to the introducing IAR is based on a percentage of the income from end-user client investment advisory fees to the firm derived from the formalized relationship developed between the introduced IAR/Non-RIA Solicitor/RIA Solicitor and 4Thought. The above "Override" arrangements may also be offered to Non-RIA Solicitors (as opposed to IARs) by signed addendum to the Solicitor Agreement, provided the Solicitor maintains appropriate licensing to receive this compensation. In another optional addendum to the IAR Agreement, the "Practice Succession" arrangement allows an IAR to be compensated on his/her client book of investment advisory fee business in the events of the IAR's semi-retirement/outsourcing, full retirement, disability, or death, provided that he/she maintains the appropriate licensing with regulatory authorities and affiliations with 4Thought to receive such compensation, and also meets certain minimum requirements. This is intended to attract/retain talented IARs for employment and to permit the continuity of the client experience in

working with 4Thought as a firm, as new servicing IARs are assigned to client cases in any of the aforementioned IAR retirement/disability/death scenarios.

As part of the implementation of a financial plan designed by 4Thought Financial Group, the firm may recommend the purchase of an insurance policy(ies) through its own insurance brokerage or from an insurance brokerage firm with whom the firm has an agreement. Although the insurance brokerages may not be compensated as solicitors unless they are or their employees are registered as investment advisers or investment adviser representatives, respectively, they may receive insurance commissions that result from the implementation of a financial plan, provided they are appropriately insurance licensed.

Financial Information

4Thought Financial Group does not believe there is any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients.