

Thrive Wealth Management, LLC

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ADV Part 2A, Brochure

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This Brochure provides information about the qualifications and business practices of Thrive Wealth Management, LLC. If you have any questions about the contents of this Brochure, please contact us at 215-376-5530 or mike@thrivewealth.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Thrive Wealth Management, LLC is also available on the SEC's website at www.adviserinfo.sec.gov.

References to Thrive Wealth Management, LLC as a "registered investment adviser" or any reference to being "registered" does not imply a certain level of skill or training.

Item 2 Material Changes

There have been no material changes to this ADV Part 2A Brochure since the March 3, 2021 annual update filing.

Thrive Wealth Management, LLC's Chief Compliance Officer, Michael Ptaszewski, is available to address any questions about this Brochure and any conflicts of interest presented.

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Item 4 Advisory Business

- A. Thrive Wealth Management, LLC (“Thrive”) is a Pennsylvania limited liability company formed in 2013 and has been providing investment advisory services since that time. Thrive has been registered as an investment adviser with the United States Securities and Exchange Commission since September 2016. Thrive is principally owned by Stephen Erfle and Michael Ptaszenski, who are Thrive’s Managing Members.
- B. Thrive offers investment advisory services, retirement plan consulting services, and financial planning and related consulting services to its clients, who generally include individuals, high net worth individuals, pension and profit sharing plans, charitable organizations, corporations or other businesses, trusts and estates.

INVESTMENT MANAGEMENT SERVICES

Clients can choose to engage Thrive to provide discretionary and non-discretionary investment advisory services on a fee basis according to the terms and conditions of an Investment Management Agreement. Thrive’s annual investment advisory fee is based upon a percentage of the market value of assets placed under Thrive’s management. Thrive’s annual investment advisory fee compensates for initial and routine financial planning and consulting services to the extent the client specifically requests them. If the client seeks extraordinary planning and consultation services, Thrive may propose to charge for those services according to the terms and conditions of a stand-alone Financial Planning Agreement.

To begin the process, an investment adviser representative will first meet with the client to develop investment objectives, risk tolerance and other relevant information to formulate an investment strategy. Then, Thrive will allocate and/or recommend that the client allocate investment assets consistent with the designated investment strategy. In this respect, Thrive may invest client assets according to one or more model portfolios described in Item 8 below. Once Thrive allocates client investment assets, it provides ongoing monitoring and review of account performance and asset allocation as compared to client investment objectives and may periodically execute or recommend execution of transactions for the account based upon those reviews, market conditions, and the client’s financial circumstances.

Clients who engage Thrive to provide discretionary investment management services sign an agreement authorizing Thrive to determine the specific securities, and the amount of securities, to be purchased or sold for the client’s account without the client’s prior approval for each transaction. Clients who engage Thrive on a non-discretionary basis concurrently acknowledge that Thrive cannot execute any account transactions without obtaining the client’s prior consent to each proposed transaction. Therefore, if Thrive would like to make a transaction for a client’s account (including removing a security that Thrive no longer believes is suitable or adding a security that Thrive believes is suitable), and the client is unavailable, Thrive will be unable to execute the account transactions (as it would for its discretionary clients). Affected clients may suffer investment losses or miss potential investment gains as a result.

As part of its investment management services, Thrive may allocate (or recommend that the client allocate) a portion of a client's investment assets among unaffiliated independent investment managers ("Independent Managers") in accordance with the client's designated investment objectives. In these instances, the Independent Managers will have day-to-day responsibility for the active discretionary management of the allocated assets. Thrive will continue to provide investment supervisory services to the client including ongoing monitoring and review of account performance, asset allocation and client investment objectives. Thrive generally considers the following factors when recommending Independent Managers: the client's designated investment objectives, management style, performance, reputation, financial strength, reporting, pricing, and research. The investment management fees charged by the designated Independent Managers are exclusive of, and in addition to, Thrive's ongoing investment advisory fee, which will be disclosed in and subject to the terms and conditions of a separate agreement between the client and the Independent Managers or the platform sponsor providing access to Independent Managers.

FINANCIAL PLANNING AND CONSULTING SERVICES (STAND-ALONE)

Upon specific client request, Thrive may agree to provide financial planning and consulting services (including investment and non-investment related matters, including estate planning, insurance planning, etc.) on a stand-alone separate fee basis. Before engaging Thrive to provide planning or consulting services, clients are generally required to enter into a Financial Planning Agreement with Thrive setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the portion of the fee that is due from the client before Thrive will provide those services. If requested by the client, Thrive may recommend the services of other professionals for implementation purposes, including Thrive's supervised persons in their capacities as licensed insurance agents. (Please refer to Items 5.E. and 10.C. in this respect). The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from Thrive.

RETIREMENT PLAN CONSULTING SERVICES

Thrive offers retirement plan consulting services to sponsors of self-directed retirement plans organized under the Employee Retirement Security Act of 1974 ("ERISA"). The terms and conditions of the engagement between Thrive and the plan sponsor will be set forth in a Pension Consulting Agreement. If Thrive performs these services in an ERISA Section 3(21) capacity, it will assist the plan sponsor with the development of investment policy statements, and then the selection and monitoring of investment alternatives from which plan participants may choose in self-directing the investments for their individual plan retirement accounts. Upon request by the plan sponsor, Thrive may also provide participant education designed to assist participants in identifying the appropriate investment strategy for their retirement plan accounts. If the plan sponsor chooses to engage Thrive in an ERISA Section 3(38) capacity, Thrive may provide the same services as described above, but may also: create specific asset allocation models that Thrive manages on a discretionary basis, which plan participants may choose in managing their individual retirement account; and/or modify the investment options made available to plan participants on a discretionary basis.

MISCELLANEOUS

Limitations of Financial Planning and Non-Investment Consulting/Implementation Services. Thrive does not serve as a law firm or accounting firm, and no portion of its services should be construed as legal or accounting services. Accordingly, Thrive does not prepare estate planning documents or tax returns. Unless specifically agreed in writing, neither Thrive nor its representatives are responsible to implement any financial plans or financial planning advice; provide ongoing financial planning services; or provide ongoing monitoring of financial plans or financial planning advice. The client is solely responsible to revisit the financial plan or financial planning advice with Thrive, if desired. The client retains absolute discretion over all financial planning and related implementation decisions and is free to accept or reject any recommendation from Thrive and its representatives. Thrive's financial planning and consulting services are completed upon communicating its recommendations to the client, upon delivery of a written financial plan, or upon termination of an agreement to provide those services, as applicable. Upon request, Thrive may recommend the services of other professionals such as attorneys, accountants, and insurance agents, including representatives of Thrive in their individual capacities as licensed insurance agents discussed in Items 5.E and 10.C. Clients have no obligation to engage the services of any such recommended professional who are responsible for the quality and competency of the services they provide. The recommendation by Thrive's representative that a client purchase an insurance commission product through Thrive's representative in their separate and individual capacity as an insurance agent, presents a conflict of interest, as the receipt of commissions may provide an incentive to recommend insurance products based on commissions to be received, rather than on a particular client's need. Clients are not obligated to purchase any insurance commission products through Thrive's representatives and may purchase insurance products recommended by Thrive through other, non-affiliated insurance agents or agencies.

Retirement Plan Rollovers – No Obligation / Conflict of Interest. A client or prospective client leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer's plan, if permitted, (ii) roll over the assets to the new employer's plan, if one is available and rollovers are permitted, (iii) roll over to an Individual Retirement Account ("IRA"), or (iv) cash out the account value (which could, depending upon the client's age, result in adverse tax consequences). If Thrive recommends that a client roll over their retirement plan assets into an account to be managed by Thrive, such a recommendation presents a conflict of interest if Thrive will earn a new (or increase its current) advisory fee as a result of the rollover. Clients are not obligated to roll over retirement plan assets to an account managed by Thrive.

ERISA / IRC Fiduciary Acknowledgment. When Thrive provides investment advice to a client about the client's retirement plan account or individual retirement account, it does so as a fiduciary within the meaning of Title I of the Employee Retirement Income Security Act ("ERISA") and/or the Internal Revenue Code ("IRC"), as applicable, which are laws governing retirement accounts. Because the way Thrive makes money creates some conflicts with client interests, Thrive operates under a special rule that requires it

to act in the client's best interest and not put its interests ahead of the client's. Under this special rule's provisions, Thrive must: meet a professional standard of care when making investment recommendations (give prudent advice); never put its financial interests ahead of the client's when making recommendations (give loyal advice); avoid misleading statements about conflicts of interest, fees, and investments; follow policies and procedures designed to ensure that Thrive gives advice that is in the client's best interest; charge no more than is reasonable for Thrive's services; and give the client basic information about conflicts of interest.

Client Obligations. As part of its investment management services, Thrive will review client portfolios on an ongoing basis to determine if any trades are necessary based upon various factors, including but not limited to investment performance, market conditions, fund manager tenure, style drift, account additions/withdrawals, the client's financial circumstances, and changes in the client's investment objectives. Based upon these and other factors, there may be extended periods when Thrive determines that upon review, trades within a client's portfolio are not prudent. Clients nonetheless remain subject to the fees described in Item 5 during periods of portfolio trading inactivity.

Unaffiliated Private Investment Fund Valuation. If Thrive bills an investment advisory fee based upon the value of private investment funds or otherwise references private investment funds owned by the client on any supplemental account reports prepared by Thrive, the value for all private investment funds owned by the client will reflect the most recent valuation provided by the fund sponsor. The current value of any private investment fund could be significantly more or less than the original purchase price or the price reflected in any supplemental account report.

Third Party Reporting Services. Thrive may provide access to reporting services through one or more third-party aggregation / reporting platforms that can reflect all of the client's investment assets, including those investment assets that the client has not engaged Thrive to manage (the "Excluded Assets"). Thrive's service for the Excluded Assets is strictly limited to reporting, and specifically excludes investment management or implementation. Because Thrive does not have trading authority for the Excluded Assets, the client (and/or a designated investment professional), and not Thrive, will be exclusively responsible for directly implementing any recommendations for the Excluded Assets and the resulting performance or related activity (such as timing and trade errors) pertaining to the Excluded Assets. The third-party aggregation / reporting platforms may also provide access to financial planning information and applications, which should not be construed as services, advice, or recommendations provided by Thrive. Accordingly, Thrive will not agree to be responsible for any adverse results a client may experience if the client engages in financial planning or other functions available on the third party reporting platforms without Thrive's participation or oversight.

Margin / Securities Based Loans. Thrive does not recommend the use of margin for investment purposes. However, if a client determines to take a margin loan that collateralizes a portion of the assets that Thrive is managing, Thrive's investment advisory fee will be computed based upon the full value of the assets, without deducting

the amount of the margin loan. Without limiting the above, Thrive may recommend that a client establish a margin loan or a securities-based loan (collectively, "SBLs") with the client's broker-dealer/custodian or their affiliated banks (each, an "SBL Lender") to access cash flow. Unlike a real estate-backed loan, an SBL has the potential benefit of enabling borrowers to access funds in a shorter period of time, providing greater repayment flexibility, and may also result in the borrower receiving certain tax benefits. Clients interested in learning more about the potential tax benefits of borrowing money on margin should consult with an accountant or tax advisor. The terms and conditions of each SBL are contained in a separate agreement between the client and the SBL Lender selected by the client, which terms and conditions may vary from client to client. Borrowing funds on margin is not suitable for all clients and is subject to certain risks, including but not limited to: increased market risk, increased risk of loss, especially in the event of a significant downturn; liquidity risk; the potential obligation to post collateral or repay the SBL if the SBL Lender determines that the value of collateralized securities is no longer sufficient to support the value of the SBL; the risk that the SBL Lender may liquidate the client's securities to satisfy its demand for additional collateral or repayment / the risk that the SBL Lender may terminate the SBL at any time. Before agreeing to participate in an SBL program, clients should carefully review the applicable SBL agreement and all risk disclosures provided by the SBL Lender including the initial margin and maintenance requirements for the specific program in which the client enrolls, and the procedures for issuing "margin calls" and liquidating securities and other assets in the client's accounts. If Thrive recommends that a client apply for an SBL instead of selling securities that Thrive manages for a fee to meet liquidity needs, the recommendation presents an ongoing conflict of interest because selling those securities (instead of leveraging those securities to access an SBL) would reduce the amount of assets to which Thrive's investment advisory fee percentage is applied, and thereby reduce the amount of investment advisory fees collected by Thrive. Likewise, the same ongoing conflict of interest is present if a client determines to apply for an SBL on their own initiative. These ongoing conflict of interest would persist as long as Thrive has an economic disincentive to recommend that the client terminate the use of SBLs. If the client were to invest any portion of the SBL proceeds in an account that Thrive manages, Thrive will receive an advisory fee on the invested amount, which could compound this conflict of interest. If a client accesses an SBL through its relationship with Thrive and the client's relationship with Thrive is terminated, Clients may incur higher (retail) interest rates on the outstanding loan balance. Clients are therefore reminded that they are not under any obligation to employ the use of SBLs, and are solely responsible for determining when to use, reduce, and terminate the use of SBLs. Although Thrive seeks to disclose all conflict of interest related to its recommended use of SBLs and related business practices, there may be other conflict of interest that are not identified above. Clients are therefore reminded to carefully review the applicable SBL agreement, and all risk disclosures provided by the SBL Lender as applicable and contact Thrive's Chief Compliance Officer with any questions about the use of SBLs.

Cybersecurity Risk. The information technology systems and networks that Thrive and its third-party service providers use to provide services to Thrive's clients employ various controls, which are designed to prevent cybersecurity incidents stemming from intentional or unintentional actions that could cause significant interruptions in Thrive's operations and result in the unauthorized acquisition or use of clients' confidential or

non-public personal information. Clients and Thrive are nonetheless subject to the risk of cybersecurity incidents that could ultimately cause them to incur losses, including for example: financial losses, cost, and reputational damage to respond to regulatory obligations, other costs associated with corrective measures, and loss from damage or interruption to systems. Although Thrive has established its systems to reduce the risk of cybersecurity incidents from coming to fruition, there is no guarantee that these efforts will always be successful, especially considering that Thrive does not directly control the cybersecurity measures and policies employed by third-party service providers. Clients could incur similar adverse consequences resulting from cybersecurity incidents that more directly affect issuers of securities in which those clients invest, broker-dealers, qualified custodians, governmental and other regulatory authorities, exchange and other financial market operators, or other financial institutions.

- C. Thrive provides investment advisory services tailored to the specific needs of each client. Prior to providing investment advisory services, an investment adviser representative will ascertain each client's investment objective(s). Thereafter, Thrive shall allocate and/or recommend that the client allocate investment assets consistent with the designated investment objective(s). The client may, at any time, impose reasonable restrictions, in writing, on Thrive's services.
- D. Thrive does not participate in a wrap fee program.
- E. As of December 31, 2021, Thrive had \$730,163,962 in assets under management on a discretionary basis and \$43,174,296 in assets under management on a non-discretionary basis.

Item 5 Fees and Compensation

A. INVESTMENT MANAGEMENT SERVICES

Thrive's annual investment advisory fee is paid quarterly in advance of each calendar quarter, under the terms and conditions of an Investment Management Agreement. The investment advisory fee is generally based on a percentage of the market value of client assets under management at the end of the preceding calendar quarter as valued by the client's designated custodian, according to the following tiered fee schedule:

<u>Assets Under Management</u>	<u>Annual Fee</u>
First \$0 - \$500,000	1.0%
Next \$500,000 (\$500,001 - \$1,000,000)	0.80%
Next \$500,000 (\$1,000,001 - \$1,500,000)	0.70%
Next \$500,000 (\$1,500,001 - \$2,000,000)	0.60%
Next \$2,000,000 (\$2,000,001 - \$4,000,000)	0.50%
Remaining Assets Exceeding \$4,000,001	0.40%

The fee for the first quarter of the client's engagement will be prorated from the inception date to the end of the first quarter. Unless Thrive expressly agrees otherwise in writing, account assets consisting of cash and cash equivalent positions are included in the value of an account's assets for purposes of calculating this fee. Clients can advise

Thrive not to maintain (or to limit the amount of) cash or cash equivalent positions in their account. Thrive's investment advisory fee is negotiable in limited circumstances at Thrive's sole discretion, depending upon objective and subjective factors including but not limited to: the amount of assets to be managed; portfolio composition; the scope and complexity of the engagement; the anticipated number of meetings and servicing needs; related accounts; future earning capacity; anticipated future additional assets; the professional rendering the service; prior or family relationships with Thrive and its representatives, and negotiations with the client. Likewise, Thrive may combine the account values of family members not living in the same household to determine the applicable advisory fee. Combining account values may increase the asset total and reduce the investment advisory fee based on the available breakpoints in the fee schedule stated above. Certain legacy clients may have accepted different pre-existing service offerings from Thrive and may therefore receive services under different fee schedules than as set forth above. As a result of these factors, similarly situated clients could pay different fees which correspondingly impact a client's net account performance. Moreover, the services to be provided by Thrive to any particular client could be available from other advisers at lower fees, and certain clients may have fees different than those specifically set forth above.

FINANCIAL PLANNING AND CONSULTING SERVICES (STAND-ALONE)

Thrive's financial planning and consulting fees are negotiable but can range from \$1,000 to \$100,000 on a fixed fee basis depending upon the scope and complexity of the services or are \$200 per hour if engaged on an hourly rate basis. Before engaging Thrive to provide financial planning and consulting services on a stand-alone separate fee basis, clients are required to enter into a Financial Planning Agreement with Thrive setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the portion of the fee that is due from the client before Thrive will provide services.

RETIREMENT PLAN CONSULTING SERVICES

The terms and conditions of the retirement plan consulting engagement will be set forth in a Pension Consulting Agreement between Thrive and the plan sponsor. Thrive's negotiable advisory fee for these services ranges between .25% and 1% of the value of retirement plan assets, depending upon the scope of the engagement.

- B. Clients will have Thrive's advisory fees deducted from their custodial account. The applicable form of Thrive's Agreement and the custodial/ clearing agreement may authorize the custodian to debit the account for the amount of Thrive's investment advisory fees and to directly remit the fee to Thrive in compliance with regulatory procedures. If Thrive bills the client directly, payment is due upon receipt of Thrive's invoice. For investment management services, Thrive will deduct fees quarterly in advance, based upon the market value of the assets at the end of the preceding calendar quarter, as valued by the client's designated custodian. For retirement plan consulting services, Thrive will bill quarterly in advance, based upon the market value of the plan assets at the end of the previous quarter, which is valued by the plan-designated custodian.

- C. Unless the client directs otherwise or an individual client's or a company retirement plan client's circumstances require, Thrive generally recommends that Charles Schwab and Co., Inc., and its affiliates ("Schwab") serve as the broker-dealer/custodian for client investment management assets. Broker-dealers charge transaction fees for executing certain securities transactions according to their fee schedule, and they or their affiliated custodians also impose additional charges for custodial services / fees associated with maintaining the client's account. For mutual fund and ETF purchases, clients will incur charges imposed by the respective fund, which represent the client's pro rata share of the fund's management fee and other fund expenses. These fees and expenses are described in each fund's prospectus or other offering documents. The fees charged by the applicable broker-dealer/custodian, and the charges imposed by mutual funds and ETFs, are separate from and in addition to Thrive's advisory fee referenced in this Item 5. Thrive does not share in any portion of those fees.
- D. Thrive's annual investment advisory fees shall be prorated and paid quarterly, in advance, based upon the market value of the assets on the last business day of the previous quarter. The applicable form of agreement between Thrive and the client will continue in effect until terminated by either party by written notice in accordance with the terms of such agreement. Upon termination: a pro-rated portion of the earned but unpaid advanced advisory fee shall be due; or Thrive will pro-rate and refund any unearned advanced advisory fees, as applicable.

Asset-Based Pricing Arrangements and Limitations. For accounts valued at approximately \$300,000 or less, or for accounts that anticipate multiple contributions or distributions, Thrive may recommend that clients enter into an "Asset-Based" pricing agreement with the account broker-dealer/custodian. Under an "Asset-Based" pricing arrangement, the broker-dealer/custodian charges the client a fixed percentage fee for all account commissions/transactions based on the amount of assets placed in custody and/or on the broker-dealer/custodian's platform, and not based upon the number of transactions executed. Generally, in an Asset-Based pricing arrangement, the applicable fixed percentage fee decreases as the aggregate account values participating in the Asset-Based pricing arrangement increase. In the alternative, the broker-dealer/custodian could charge a separate commission/transaction fee upon the execution of an account transaction. This is referred to as a "Transaction-Based" pricing arrangement. Under a Transaction-Based pricing arrangement, the amount of fees charged by the broker-dealer/custodian to the client will vary depending upon the number of and type of transactions that are placed for the account. Under either scenario, the fees charged by the respective broker-dealer/custodian are separate from, and in addition to the advisory fee payable by the client to Thrive. Whether Thrive would recommend an Asset-Based pricing agreement with the account broker-dealer/custodian would depend upon whether, based upon anticipated account size and activity, Thrive reasonably believes that the client would benefit from the available pricing arrangement. However, account investment decisions are often more heavily driven by security selection and anticipated market conditions, as opposed to the amount of commission/transaction fees payable by clients to the account broker-dealer/custodian. Clients are encouraged to contact Thrive at any time to evaluate the benefit of Asset-Based pricing and Transaction-Based pricing arrangements. However, there can be no assurance that the volume of transactions will be consistent from year-

to-year based on market changes and security selection. Therefore, given the variances in trading volume and pricing arrangements, any decision by clients to switch between Asset-Based or Transaction-Based pricing might not ultimately benefit the client's account.

- E. Insurance Commission Transactions. Upon request, clients may engage Thrive to purchase insurance products on a commission basis. The commissions charged by Thrive may be higher or lower than those charged by other licensed insurance agencies.
1. Conflict of Interest: The recommendation that a client purchase an insurance product on a commission basis presents a conflict of interest, as the receipt of commissions may provide an incentive to recommend insurance products based on commissions to be received, rather than on a particular client's need. No client is under any obligation to purchase any commission products from Thrive's representatives.
 2. Clients may purchase insurance products recommended by Thrive or its representatives through other, agencies or agents.
 3. Thrive does not receive more than 50% of its revenue from advisory clients as a result of commissions or other compensation for the sale of insurance commission products Thrive recommends to its clients.
 4. When Thrive's representatives sell an insurance product on a commission basis, Thrive does not charge an advisory fee in addition to the commissions paid by the client for such product. When providing services on an advisory fee basis, Thrive's representatives do not also receive commission compensation for such advisory services. However, a client may engage Thrive to provide investment management services on an advisory fee basis and separate from such advisory services purchase an investment product from Thrive's representatives on a separate commission basis.

Item 6 Performance-Based Fees and Side-by-Side Management

Neither Thrive nor any supervised person of Thrive accepts performance-based fees.

Item 7 Types of Clients

Thrive's clients generally include individuals, high net worth individuals, pension and profit sharing plans, charitable organizations, corporations or other businesses, trusts and estates. Thrive generally prefers to work with new clients seeking management of at least \$500,000 in investment assets to provide investment management services. Thrive, in its sole discretion, may reduce its minimum asset preference based upon certain criteria (i.e., anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.).

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

- A. Thrive may utilize the following methods of security analysis:

Fundamental - involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company and its industry. The resulting data is used to measure the true value of the company's stock compared to the current market value.

Technical – involves analysis performed on historical and present data, focusing on price and trade volume, to forecast the direction of prices.

Thrive may utilize the following investment strategies when implementing investment advice given to clients:

Long Term Purchases (securities held at least a year); and

Short Term Purchases (securities sold within a year).

Investment Risk. Investing in securities involves risk of loss that clients should be prepared to bear, including the complete loss of principal investment. Past performance does not guarantee future results. Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by Thrive) will be profitable or equal any specific performance level. Investment strategies such as asset allocation, diversification, or rebalancing do not assure or guarantee better performance and cannot eliminate the risk of investment losses. There is no guarantee that a portfolio employing these or any other strategy will outperform a portfolio that does not engage in such strategies. While asset values may increase and client account values could benefit as a result, it is also possible that asset values may decrease, and client account values could suffer a loss.

- B. Thrive's methods of analysis and investment strategies do not present any significant or unusual risks. However, every method of analysis has its own inherent risks. To perform an accurate market analysis, Thrive must have access to current/new market information. Thrive has no control over the dissemination rate of market information; therefore, unbeknownst to Thrive, certain analyses may be compiled with outdated market information, severely limiting the value of Thrive's analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable or profitable investment opportunities.

Thrive's primary investment strategies (Long Term Purchases and Short Term Purchases) are fundamental investment strategies. However, every investment strategy has its own inherent risks and limitations. For example, longer term investment strategies require a longer investment time period to allow for the strategy to potentially develop. Shorter

term investment strategies require a shorter investment time period to potentially develop but, as a result of more frequent trading, may incur higher transactional costs when compared to a longer term investment strategy.

- C. Currently, Thrive allocates or recommends that clients allocate investment assets among various mutual funds, ETFs, Independent Managers, individual debt and/or equity securities in accordance with the client's designated investment objectives. In limited cases upon specific client request, Thrive may recommend allocation to private investment funds or employ option strategies. Each type of security or investment has its own unique set of risks associated with it. The following provides a short description of some of the underlying risks associated with the types of investments that Thrive employs or recommends:

Market Risk. The price of a security may drop in reaction to tangible and intangible events and conditions. This type of risk may be caused by external factors (such as economic or political factors) but may also be incurred because of a security's specific underlying investments. Additionally, each security's price can fluctuate based on market movement, which may or may not be due to the security's operations or changes in its true value. For example, political, economic, and social conditions may trigger market events, which are temporarily negative, or temporarily positive.

Unsystematic Risk. Unsystematic risk is the company-specific or industry-specific risk in a portfolio that the investor bears. Unsystematic risk is typically addressed through diversification. However, as indicated above, diversification does not guarantee better performance and cannot eliminate the risk of investment losses.

Value Investment Risk. Value stocks may perform differently from the market as a whole and following a value-oriented investment strategy may cause a portfolio to underperform growth stocks.

Growth Investment Risk. Prices of growth stocks tend to be higher in relation to their companies' earnings and may be more sensitive to market, political and economic developments than other stocks, making their prices more volatile.

Small Company Risk. Securities of small companies are often less liquid than those of large companies and this could make it difficult to sell a small company security at a desired time or price. As a result, small company stocks may fluctuate relatively more in price. In general, small capitalization companies are more vulnerable than larger companies to adverse business or economic developments and they may have more limited resources.

Commodity Risk. The value of commodity-linked derivative instruments may be affected by changes in overall market movements, commodity index volatility, changes in interest rates, or factors affecting a particular industry or commodity, such as drought, floods, weather, livestock disease, embargoes, tariffs, and international economic, political, and regulatory developments.

Foreign Securities and Currencies Risk. Foreign securities prices may decline or fluctuate because of: (i) economic or political actions of foreign governments, and/or (ii) less regulated or liquid securities markets. Investors holding these securities are also exposed to foreign currency risk (the possibility that foreign currency will fluctuate in value against the U.S. dollar).

Interest Rate Risk. Fixed income securities and fixed income-based securities are subject to interest rate risk because the prices of fixed income securities tend to move in the opposite direction of interest rates. When interest rates rise, fixed income security prices tend to fall. When interest rates fall, fixed income security prices tend to rise. In general, fixed income securities with longer maturities are more sensitive to these price changes.

Inflation Risk. When any type of inflation is present, a dollar at present value will not carry the same purchasing power as a dollar in the future, because that purchasing power erodes at the rate of inflation.

Reinvestment Risk. Future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e., interest rate), which primarily relates to fixed income securities.

Credit Risk. The issuer of a security may be unable to make interest payments and/or repay principal when due. A downgrade to an issuer's credit rating or a perceived change in an issuer's financial strength may affect a security's value and impact performance. Credit risk is considered greater for fixed income securities with ratings below investment grade. Fixed income securities that are below investment grade involve higher credit risk and are considered speculative.

Call Risk. During periods of falling interest rates, a bond issuer will call or repay a higher-yielding bond before its maturity date, forcing the investment to reinvest in bonds with lower interest rates than the original obligations.

Regulatory Risk. Changes in laws and regulations from any government can change the market value of companies subject to such regulations. Certain industries are more susceptible to government regulation. For example, changes in zoning, tax structure or laws may impact the return on investments.

Mutual Fund Risk. Mutual funds are operated by investment companies that raise money from shareholders and invest it in stocks, bonds, and/or other types of securities. Each fund will have a manager that trades the fund's investments in accordance with the fund's investment objective. Mutual funds charge a separate management fee for their services, so the returns on mutual funds are reduced by the costs to manage the funds. While mutual funds generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market. Mutual funds come in many varieties. Some invest aggressively for capital appreciation, while others are conservative and are designed to generate income for shareholders. In addition, the client's overall portfolio may be affected

by losses of an underlying fund and the level of risk arising from the investment practices of an underlying fund (such as the use of derivatives).

Exchange Traded Fund Risk. ETFs are marketable securities that are designed to track, before fees and expenses, the performance or returns of a relevant index, commodity, bonds, or basket of assets, like an index fund. Unlike mutual funds, ETFs trade like common stock on a stock exchange. ETFs experience price changes throughout the day as they are bought and sold. In addition to the general risks of investing, there are specific risks to consider with respect to an investment in ETFs, including, but not limited to: (i) an ETF's shares may trade at a market price that is above or below its net asset value; (ii) the ETF may employ an investment strategy that utilizes high leverage ratios; or (iii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are delisted from the exchange, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally.

Independent Manager Risk. While Thrive may conduct due diligence regarding Independent Managers and their respective investment style and process, Thrive will not have the opportunity to evaluate each specific investment that the Independent Managers will execute on the client's behalf. As a result, the rates of return to clients will primarily depend upon the choice of investments and other investment and management decisions of Independent Managers and returns could be adversely affected by unfavorable performance of such Independent Managers. Further, Thrive depends on Independent Managers to develop the appropriate systems and procedures to control operational risks.

Unaffiliated Private Investment Fund Risk. In very limited circumstances, Thrive may recommend that certain qualified clients consider investing in unaffiliated private investment funds. Private investment funds generally involve various risk factors including, but not limited to potential for complete loss of principal, liquidity constraints and lack of transparency. A complete discussion of the risks will be set forth in each fund's offering documents, which will be provided to each client for review and consideration. Thrive's role related to the private investment funds is limited to its initial and ongoing due diligence and investment monitoring services. Thrive's clients are under absolutely no obligation to consider or make an investment in private investment funds. Unlike liquid investments that a client may own, private investment funds do not provide daily liquidity or pricing. Each prospective client investor will be required to complete a subscription agreement, pursuant to which the client will establish that they qualified for investment in the fund, and that they acknowledge and accept the various risk factors that are associated with such an investment.

Cash and Cash Equivalent Risk. Thrive may hold a portion of client's assets in cash or cash equivalent positions (such as but not limited to money market funds) typically for defensive and liquidity purposes. Investments in these assets may cause a client to miss upswings in the markets. Thrive's advisory fee could exceed the interest income from holding cash or cash equivalents. Clients can advise Thrive not to maintain (or to limit the amount of) cash or cash equivalent positions in their account.

Options Risk. Thrive may employ the use of options strategies in limited circumstances, upon specific client request. The use of options transactions as an investment strategy involves a high level of inherent risk. Option transactions establish a contract between two parties concerning the buying or selling of an asset at a predetermined price during a specific period of time. During the term of the option contract, the buyer of the option gains the right to demand fulfillment by the seller. Fulfillment may take the form of either selling or purchasing a security depending upon the nature of the option contract. Generally, the purchase or the recommendation to purchase an option contract by Thrive will be with the intent of offsetting/"hedging" a potential market risk in a client's portfolio. Thrive's options strategies are primarily limited to the use of protective collars, which involves buying a put option to cover the fall in the price of the underlying security or selling a call option to offset the cost of the put. This is designed to provide a protective floor based on the specified strike price during the term of the option. However, the protective collars will provide little to no protection if the value of the underlying merely falls to or near the strike price, especially in rapidly rising markets. Further, although the intent of the options-related transactions that may be implemented by Thrive is to hedge against principal risk, certain of the options-related strategies (i.e., straddles, short positions, etc.), may in and of themselves, produce principal volatility and additional risk. Therefore, a client directing Thrive to employ options strategies must be willing to accept these enhanced volatility and risks associated with the strategy. For detailed information on the use of options and option strategies, please refer to the Option Clearing Corp.'s Option Disclosure Document available at: <http://www.optionsclearing.com/components/docs/riskstoc.pdf>

Model Portfolio Management

Thrive may also allocate clients' investment assets among one or more of the following model portfolio strategies, which will all be monitored and periodically adjusted to suit market conditions based on internal research. Individual client accounts are implemented using a weight to the Equity and Fixed Income model to create a model aggregate. For example, a client requiring a 60% Stock, 40% Fixed Income portfolio, will have their account invested 60% in the Thrive Wealth Tax Managed Equity Model and 40% in the Thrive Wealth Tax Managed Fixed Income Portfolio. Investments in any of the following managed account asset allocation strategies are not guaranteed and are subject to risk, which could result in a complete loss of principal:

Thrive Wealth Tax Managed Equity Model. The primary investment objective is to provide diversified global equity exposure by investing in US and Non-US companies with market capitalizations ranging from Small to Large. The secondary investment objective is to employ mutual funds and ETFs that have historically distributed little to no capital gains. The model will also seek similar investments that limit the amount of taxable income. This model holds both mutual funds and ETFs. It may be rebalanced quarterly to realign the underlying holdings to the target weights. The number of trades can range from approximately 5 to 25 per year. Individual client accounts may experience higher trading volumes to allow for tax loss harvesting as needed.

Thrive Wealth Equity Model. The primary investment objective is to provide diversified global equity exposure by investing in US and Non-US companies with market capitalizations ranging from Small to Large. This model will also provide an allocation to Real Estate. The model holds both mutual funds and ETFs. It may be rebalanced quarterly to realign the underlying holdings to the target weights. The number of trades can range from approximately 5 to 25 per year. Individual client accounts may experience higher trading volumes to allow for tax loss harvesting as needed.

Thrive Wealth Tax Managed Fixed Income Model. The primary investment objective is to provide diversified global fixed income exposure by investing in US and Non-US debt. The model will invest a portion of the portfolio in US tax exempt bond funds and/or ETFs to limit the taxable income. It holds both mutual funds and ETFs. It may be rebalanced quarterly to realign the underlying holdings to the target weights. The number of trades can range from approximately 5 to 25 per year. Individual client accounts may experience higher trading volumes to allow for tax loss harvesting as needed.

Thrive Wealth Fixed Income Model. The primary investment objective is to provide diversified global fixed income exposure by investing in US and Non-US debt. The secondary investment objective is to pursue and maximize total return and income. The model holds both mutual funds and ETFs. It may be rebalanced quarterly to realign the underlying holdings to the target weights. The number of trades can range from approximately 5 to 25 per year. Individual client accounts may experience higher trading volumes to allow for tax loss harvesting as needed.

Other account strategies may be developed from time to time. Thrive will also manage client assets outside these strategies to the extent clients direct Thrive to do so. Thrive's investment programs may involve above-average portfolio turnover which could negatively impact upon the net after-tax gain experienced by an individual client in a taxable account.

Item 9 Disciplinary Information

Thrive has not been the subject of any disciplinary actions.

Item 10 Other Financial Industry Activities and Affiliations

- A. Neither Thrive, nor its supervised persons, are registered or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.
- B. Neither Thrive, nor its supervised persons, are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.
- C. Licensed Insurance Agents. Certain of Thrive's representatives are licensed insurance agents in their individual capacities, through whom clients may purchase insurance

products on a commission basis, or variable annuity products on a non-commission basis. The recommendation by Thrive's representatives that a client purchase an insurance commission product presents a conflict of interest, because the receipt of commissions may provide an incentive to recommend investment products based on commissions to be received, rather than on a particular client's need. Clients are not obligated to purchase any commission products from Thrive's representatives. Clients may purchase insurance products recommended by or through other, non-affiliated insurance agents or broker-dealers.

- D. Thrive does not receive, directly or indirectly, compensation from investment advisors that it recommends or selects for its clients.

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

- A. Thrive maintains an investment policy related to personal securities transactions. This investment policy is part of Thrive's overall Code of Ethics, which serves to establish a standard of business conduct for all of Thrive's supervised persons that is based upon fundamental principles of openness, integrity, honesty and trust, a copy of which is available upon request. In accordance with Section 204A of the Investment Advisers Act of 1940, Thrive also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by Thrive or any person associated with Thrive.
- B. Neither Thrive nor any related person of Thrive recommends, buys, or sells for client accounts, securities in which Thrive or any related person of Thrive has a material financial interest.
- C. Thrive and its representatives may buy or sell securities that are also recommended to clients. This practice may create a situation where Thrive and its representatives are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation presents a conflict of interest. Practices such as "scalping" (i.e., a practice whereby the owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon the rise in the market price which follows the recommendation) could take place if Thrive did not have adequate policies in place to detect such activities. In addition, this requirement can help detect insider trading, "front-running" (i.e., personal trades executed prior to those of Thrive's clients) and other potentially abusive practices. Thrive has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of Thrive's "Access Persons." Thrive's securities transaction policy requires that an Access Person of Thrive must provide the Chief Compliance Officer or their designee with a written report of their current securities holdings within ten (10) days after becoming an Access Person. Additionally, each Access Person must provide the Chief Compliance Officer or his/her designee with a written report of the Access Person's current securities holdings at least once each twelve (12) month period thereafter on a date Thrive selects.
- D. Thrive and its representatives may buy or sell securities, at or around the same time as those securities are recommended to clients. This practice creates a situation where

Thrive and its representatives are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation presents a conflict of interest. As indicated above in Item 11.C., Thrive has a personal securities transaction policy in place to monitor the personal securities transaction and securities holdings of each of Thrive's Access Persons.

Item 12 Brokerage Practices

- A. If a client requests that Thrive recommend a broker-dealer/custodian for execution or custodial services, Thrive generally recommends that investment management accounts be maintained at Schwab. Before engaging Thrive to provide investment management services, clients enter into an agreement with Thrive setting forth the terms and conditions for the management of their assets, and a separate custodial/clearing agreement with each designated broker-dealer/custodian. Depending on which broker-dealer/custodian clients select to maintain their account, they may experience differences in customer service, transaction timing, the availability of sweep account vehicles and money market funds, and other aspects of investing at could cause differences in account performance.

When seeking "best execution," from a broker-dealer, the determinative factor is not always the lowest possible cost, but whether the transaction represents the best qualitative execution when considering the full range of a broker-dealer's services including the value of research provided, execution capability, commission rates, and responsiveness. Although Thrive cannot guarantee that clients will always experience the best possible execution available, Thrive seeks to recommend a broker-dealer/custodian that will hold client assets and execute transactions on terms that are, overall, most advantageous when compared with other available providers and their services. Thrive considers a wide range of factors when recommending a broker-dealer/custodian, including:

- Combination of transaction execution services and asset custody services (generally without a separate fee for custody);
- Capability to execute, clear and settle trades (buy and sell securities for client accounts);
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.);
- Breadth of available investment products (stocks, bonds, mutual funds, ETFs, etc.);
- Quality of services (including research);
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices;
- Reputation, financial strength, and stability; and
- Prior service to Thrive and its other clients.

1. Research and Other Benefits

While Thrive does not receive traditional "soft dollar benefits," Thrive and by extension, its clients receive access to certain institutional brokerage services (trading, custody, reporting, and related services), many of which are not typically available to retail customers. Schwab also makes various support services available to Thrive. Some of those services help Thrive manage or administer its clients'

accounts; while others help it manage and grow its business. Schwab's support services generally are available on an unsolicited basis (Thrive does not have to request them) and at no charge to Thrive.

Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which Thrive might not otherwise have access or that would require a significantly higher minimum initial investment by its clients. These services benefit Thrive's clients and their accounts.

Schwab also makes other products and services available to Thrive that benefits Thrive but may only indirectly benefit its clients or their accounts, such as investment research developed by Schwab or third parties that Thrive may use to service clients' accounts. In addition to investment research, Schwab also makes available software and other technology that:

- Provide access to client account data (such as duplicate trade confirmations and account statements);
- Facilitate trade execution and allocate aggregated trade orders for multiple client accounts;
- Provide pricing and other market data;
- Facilitate payment of our fees from other clients' accounts; and
- Assist with back-office functions, recordkeeping, and client reporting.

Schwab may offer other services intended to help Thrive manage and further develop its business. These services include:

- Educational conferences and events;
- Consulting on technology, compliance, legal and business needs;
- Publications and conferences on practice management and business succession; and
- Access to employee benefits providers, human capital consultants, and insurance providers.

Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to Thrive. Schwab may discount or waive its fees for some of these services or pay all or a part of a third party's fees. Schwab can also provide occasional business meals and entertainment for Thrive's personnel.

The availability of the services and products described above that Thrive receives from Schwab (the "Services and Products") provides Thrive with an advantage, because Thrive does not have to produce or purchase them. However, Thrive does not have to pay Schwab or any other entity for Services and Products that Schwab provides. Thrive's clients do not pay more for investment transactions executed or assets maintained at Schwab as a result of this arrangement. The receipt of Services

and Products are not contingent upon Thrive committing any specific amount of business to Schwab in trading commissions or assets in custody. There is no corresponding commitment made by Thrive to Schwab or any other entity to invest any specific amount or percentage of client assets in any specific securities or investment products as a result of the above. However, this arrangement nonetheless incentivizes Thrive to recommend that clients maintain their account with Schwab, based on its interest in receiving Schwab's services that benefit its business rather than based on clients' interest in receiving the best value in custody services and the most favorable execution of their transactions. This presents a conflict of interest. When making such a recommendation, however, Thrive does so when it reasonably believes that recommending Schwab to serve as broker-dealer/custodian is in the best interests of its clients. It is primarily supported by the scope, quality, and price of Schwab's services and not Schwab's services that benefit only Thrive.

2. Thrive does not receive referrals from broker-dealers.

3. Directed Brokerage.

Thrive does not generally accept directed brokerage arrangements (when a client requires that account transactions be executed through a specific broker-dealer). In those client-directed arrangements, the client will negotiate terms and arrangements for their account with that broker-dealer and Thrive will not seek better execution services or prices from other broker-dealers. As a result, the client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. If the client directs Thrive to execute securities transactions for the client's accounts through a specific broker-dealer, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to execute account transactions through alternative clearing arrangements that may be available through Thrive. Higher transaction costs adversely impact account performance. Transactions for directed accounts will generally be executed after the execution of portfolio transactions for non-directed accounts.

B. Thrive will generally execute account transactions for each client independently unless Thrive decides to purchase or sell the same securities for several clients at approximately the same time. Thrive may (but is not obligated to) combine or "bunch" such orders to seek best execution, to negotiate more favorable commission rates, or to equitably allocate differences in prices and commissions or other transaction costs among Thrive's clients, which might have been obtained if the orders were placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. Thrive will not receive any additional compensation as a result.

Thrive relies on both Orion and SEI for rebalancing and aggregation decisions. SEI is responsible for all trading for accounts that Thrive manages at SEI. For accounts at Schwab, Orion's software drives rebalancing and trading decisions. As a result, while Thrive does not favor any advisory account over any other managed account, accounts at Schwab may be traded differently. At Schwab, Orion may cause multiple orders in the same security, in which case Thrive may aggregate or "batch" orders for the purchase or sale of securities for all such accounts to the extent consistent with best execution. Such combined trades may be used to facilitate best execution, including negotiating more favorable prices, or obtaining more timely or equitable execution.

Item 13 Review of Accounts

- A. Stephen Erfle and/or Michael Ptaszenski perform investment management account reviews on an ongoing basis, which happens at least quarterly. Thrive also offers an in person or telephonic consultation with clients, on at least an annual basis, to review financial planning issues, investment objectives and account performance.
- B. Thrive may conduct account reviews on a non-periodic basis upon a triggering event, such as a change in client investment objectives and/or financial situation, market events, or specific client request.
- C. Clients receive transaction confirmation notices and regular summary account statements directly from the broker-dealer/custodian for their accounts.

Item 14 Client Referrals and Other Compensation

- A. As described in Item 12.A.1 above, Thrive receives economic benefits from Schwab including support services or products without cost or at a discount. Thrive's clients do not pay more for investment transactions executed or assets maintained at Schwab or any other entity as a result of this arrangement. There is no corresponding commitment made by Thrive to Schwab or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities, or other investment products as a result of the above arrangement.
- B. If a client is introduced to Thrive by a solicitor, Thrive may pay that solicitor a referral fee in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940 and successor rules. Any such referral fee will be paid solely from Thrive's investment advisory fee and will not result in any additional charge to the client. If the client is introduced to Thrive by an unaffiliated solicitor, the client will receive information about the nature of the solicitor relationship, and will receive a copy of Thrive's written Brochure; and a written disclosure statement from the solicitor to the client disclosing the terms of the solicitation arrangement between Thrive and the solicitor, including the amount of compensation to be paid by Thrive to the solicitor in consideration for the referral.

Item 15 Custody

Thrive will have the ability to have its advisory fee for each client debited by the custodian on a quarterly basis. Thrive engages in other practices on behalf of its clients that require disclosure at ADV Part 1, Item 9, and subjects affected client accounts to an annual CPA examination in accordance with Rule 206(4)-2 under the Investment Advisers Act of 1940.

Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. Thrive may also provide a written periodic report summarizing account activity and performance. To the extent that Thrive provides clients with periodic account statements or reports, Thrive urges clients to carefully review those statements and compare them to custodial account statements. Thrive's statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. The account custodian does not verify the accuracy of Thrive's advisory fee calculations.

Item 16 Investment Discretion

The client can choose to engage Thrive to provide investment advisory services on a discretionary basis. Before Thrive assumes discretionary authority over a client's account, the client is required to execute an agreement with Thrive granting Thrive full authority to buy, sell, or otherwise execute investment transactions for the client's discretionary account.

Clients who engage Thrive on a discretionary basis may, at any time, impose restrictions, in writing, on Thrive's discretionary authority (i.e., limit the types/amounts of particular securities purchased for their account, limit or proscribe Thrive's allocation to model portfolios, etc.).

Item 17 Voting Client Securities

- A. Thrive does not vote client proxies. Clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections related to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets.
- B. Clients will receive their proxies or other solicitations directly from their custodian. Clients may contact Thrive to discuss any questions they may have with a particular solicitation.

Item 18 Financial Information

- A. Thrive does not solicit fees of more than \$1,200, per client, six months or more in advance.
- B. Thrive is unaware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments relating to its discretionary authority over certain client accounts.
- C. Thrive has not been the subject of a bankruptcy petition.

Thrive Wealth Management, LLC's Chief Compliance Officer, Michael Ptaszenski, is available to address any questions about this Brochure and any conflicts of interest presented.