

SB Advisory, LLC

Tower Place
3424 Peachtree Road
Suite 2200
Atlanta, Georgia 30326 (404) 704-0406
IARD #: 154680

Investment Advisory Brochure (“ADV Part 2A”)

March 31, 2024

NOTICE TO PROSPECTIVE CLIENTS: READ THIS DISCLOSURE BROCHURE IN ITS ENTIRETY

All the material within this Brochure must be reviewed by those who are considering becoming a client of our firm. This Brochure provides information about the qualifications and business practices of SB Advisory, LLC (“Advisor”). If you have any questions about the contents of this Brochure, please contact us at (404) 704-0406. 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.

In accordance with federal and state regulations, this Brochure is on file with the appropriate securities regulatory authorities as required. The information provided within this Brochure is not to be construed as an endorsement or recommendation by state securities authorities in any jurisdiction within the United States, or by the United States Securities and Exchange Commission. SB Advisory, LLC is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser. Additional information about SB Advisory, LLC also is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

This Brochure dated March 31, 2024 is an amended version of the previous Brochure dated March 31, 2023. Since the date of the last annual updating amendment of the Brochure, there have been the following material changes:

- Item 10 - Other Financial Industry Activities and Affiliations - Cabot Lodge deleted from this section.
- Item 12 - Brokerage Practices - Interactive Brokers deleted from this section.
- Item 16 - Investment Discretion - Cabot Lodge deleted from this section.

Please see the respective Item for additional information.

Currently, our Brochure may be requested from our Chief Compliance Officer Danny Padilla Mr. Padilla's email is Dp@sanblassecurities.com and his phone number is 404.334.0341.

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

Item 3 -Table of Contents

Item 1 – Cover Page	1
Item 2 – Material Changes	2
Item 3 -Table of Contents.....	3
Item 4 – Advisory Business.....	4
Item 5 – Fees and Compensation.....	9
Item 6 – Performance-Based Fees and Side-By-Side Management.....	14
Item 7 – Types of Clients	15
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss	15
Item 9 – Disciplinary Information.....	19
Item 10 – Other Financial Industry Activities and Affiliations.....	19
Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	21
Item 12 – Brokerage Practices.....	22
Item 13 – Review of Accounts	23
Item 14 – Client Referrals and Other Compensation	23
Item 15 – Custody	24
Item 16 – Investment Discretion	24
Item 17 – Voting Client Securities	24
Item 18 – Financial Information.....	25

Item 4 – Advisory Business

THE FIRM

SB Advisory, LLC (the “Advisor” or the “Firm”) is an investment advisory firm registered with the Securities & Exchange Commission that commenced providing investment advisory services and investment advice in 2009. The Firm is principally owned by IFS Group. IFS Group is the parent company of all SB entities (San Blas Securities, SB Advisory). Alexys McKenzie is the Executive officer of IFS Group. As of March 31, 2024, the Firm manages assets totaling \$285,851,527 of which \$21,613,914 is managed on a discretionary basis and \$264,237,613 is managed on a non-discretionary basis. The following paragraphs provide a description of the programs and services offered by SB Advisory, LLC.

ADVISORY MANAGEMENT

Alex McKenzie – President & CEO

Alex McKenzie, Started in the financial services industry as a stock broker in 1994 advising business owners both domestically and abroad. Experience since then has been starting three Broker/Dealers and three RIAs. Previously he served as treasurer of the Atlanta Workforce Development Authority (AWDA) and a member of the Young Presidents’ Organization. McKenzie is knowledgeable in Retail Wealth Management/ Capital Markets. He holds the Series 7, 24, 63, 66, 79 and 99 licenses.

Danny Padilla –CCO

Prior to San Blas Securities, Padilla served as Managing Director and Head of Institutional Equity Trading for IFS Securities. He also has held a series of senior roles at WBENC/MWBE firm Divine Capital and Magna Securities. Padilla holds Series 7,24,55 and 62 licenses.

RBC.

Accounts managed at RBC may be invested in a wide range of securities including mutual funds, exchange traded funds, individual equities, fixed income securities, and many more. There is no minimum investment amount for these advisory accounts.

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

The Advisor can manage the assets on a discretionary basis, thereby allowing the Advisor to determine what securities and investments are to be bought or sold, the amount of transactions, and the timing of transactions, or on a non-discretionary basis where the Advisor will provide recommendations to the Client and the Client has ultimate authority for the approval of such

transactions. All accounts are required to be at RBC. Clients will receive account statements from RBC no less than quarterly concerning all transactions, balances and portfolio holdings within their account.

Advisor Choice Program

The Advisor Choice Program offers Clients the opportunity to utilize various money managers in managing all or a portion of their assets. The managers are selected by the Advisor, unless the Advisor and Client have mutually agreed otherwise. Client assets will be custodied at a firm of the money manager's choosing, unless the Advisor has the authority to select such custodian. A minimum investment may be required by the money manager.

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

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

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

AssetMark Programs

These programs offer clients access to AssetMark's mutual fund and exchange-traded fund ("ETF") programs as well as AssetMark's privately managed accounts and unified managed accounts. In the mutual fund and ETF asset allocation programs, AssetMark offers client's asset allocations composed by a group of independent investment strategists ("Portfolio Strategists"), with the different model allocations designed to satisfy a gradient of risk/return objectives. The Portfolio Strategists have no direct relationship with SB or the client, make no analysis of and do not consider the clients' individual circumstances or objectives, and do not tailor the model asset allocation to any specific client's needs, circumstances or objectives, but only to the stated risk/return objectives.

The investment advisor representative assists the client in selecting the risk/return objective and Portfolio Strategist that best suit the client's objectives. The client then specifically directs the account to be invested in accordance with the chosen asset allocation. When the client selects the asset allocation, the client further directs that the account be automatically adjusted to reflect any adjustment in the asset allocation by the selected Portfolio Strategist. This client authorization results in the purchase and sale of certain mutual funds or ETFs without further authorization by the client or any other party when the Portfolio Strategist changes the composition of the selected model asset allocation. SB Advisory and the investment advisor

representative have no authority to cause any purchase or sale of securities in any client account or change the selected model asset allocation or to direct the account to be invested in any manner other than as previously authorized by the client. SB Advisory and the investment advisor representative do not take any discretionary authority over client accounts.

Additionally, AssetMark may offer, through investment advisor representatives, Privately Managed Accounts and Unified Managed Accounts. Under these accounts, the investment advisor representative will introduce clients to, and advise on the selection of, independent investment managers who provide discretionary management of individual portfolios using a variety of different securities analysis methods, sources of information and investment strategies. Clients receive separate disclosure from such investment managers regarding any such investment manager's advisory services.

Brinker Capital

Brinker furnishes or arranges for investment management and supervisory services to meet the individual needs of its clients. The client's investment objectives will be determined based on answers to an investment strategy questionnaire as discussed in more detail in Item 8 of this Brochure. These programs are more fully described in the firm's Disclosure Brochure. Brinker offers a variety of services to its clients in order to meet those needs. These services include highly customized separate managed account manager-of- manager services.

Brinker may also recommend privately placed or publicly traded pooled investment vehicles (such as hedge funds, mutual funds or exchange traded funds ("ETFs"), etc.) in lieu of allocating assets separately to an investment manager. Brinker may provide discretionary management, in which case Brinker can hire and fire investment managers and select investment vehicles, in its sole discretion.

Brinker has been retained as a sub-adviser on various third-party platforms. For these programs, Brinker provides asset allocation and manager selection services, and in some cases, may provide other operational related services. Brinker also offers certain of its investment strategies and programs on platforms of unaffiliated managers or sponsors.

Brinker's services are generally provided to the client pursuant to an investment advisory agreement between Brinker and the client. However, Brinker may also enter into a tri-party investment advisory agreement with the client and another investment advisory firm that assumes fiduciary responsibility for recommending and/or selecting the investment strategy for the client, including, in the case of an account invested in the Core Asset Manager program, a suitable asset allocation and selection of investment managers and other investments.

EQIS CAPITAL MANAGEMENT, Inc.

EQIS Capital Management, Inc is a SEC registered investment adviser that sponsors wrap fee programs. EQIS offers separately managed accounts. The account minimum to invest is \$25,000. EQIS has various model portfolios in asset classes such as stocks, American Depositary Receipts (ADR's), ETFs, target term trusts, US Government bonds, money market funds and mutual funds. The portfolios are actively managed on a discretionary basis.

FLEXIBLE PLAN INVESTMENTS, Ltd. -Referral Agreement

Flexible Plan Investments is a federally registered independent investment adviser that manages individual investment accounts. As of 12.31.2017 Flexible Plan has \$1.95 billion assets under management. SB Advisory has a Referral Agreement in place with Flexible Plan Investments.

FINANCIAL PLANNING

SB Advisory offers financial planning services to Clients seeking advice and direction on various aspects of financial planning. The level and extent of such financial planning services is dependent upon the level of services desired by the Client. Such advice may include, but is not limited to, analysis of financial plans, retirement planning, budget analysis, estate planning, college planning, and cash flow analysis. The extent and nature of the financial planning is tailored to the desires and needs sought by the Client. Services may include the development of a written plan, providing analysis or recommendations, or may only involve consultation(s). Three basic types of financial planning are offered to Clients to select are:

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

Each of these types of financial planning is discussed below.

In determining or selecting to receive financial planning services, the Client is under no obligation to act upon the Advisor's recommendation. If the Client elects to act on any of the recommendations, the Client is under no obligation to affect the transaction through the Advisor.

Comprehensive Financial Planning

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

Limited Financial Planning

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

It is the responsibility of the Client to indicate to the Advisor what areas of financial planning

the Client seeks information and a written report. Among some of the areas the Client can choose among are:

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

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

Hourly Financial Planning & Consultation

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

Individuals Retirement and Retirement Plan Accounts:

When SB Advisory provides investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way SB Advisory makes money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours.

Under this special rule's provisions, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Put your financial interests ahead of ours when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.

Item 5 – Fees and Compensation

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

PORTFOLIO MANAGEMENT PROGRAMS

Total Annualized fee charged to the client

Up to \$1 Million	2.00%
\$1 Million up to \$2 Million	2.00%
\$2 Million up to \$5 Million	1.75%
\$5 Million up to \$10 Million	1.50%
\$10 Million and up	1.25%

Transaction Fees: To be paid by the advisory client

Fees are payable monthly or quarterly in advance. Currently there is no account minimum for this program.

Listed Equities:

Stocks-Fee amount \$9.95 per transaction (buy & sell)

ETFs-Fee amount \$9.95 per transaction (buy & sell)

Closed End Mutual Funds-\$9.95 per transaction (buy & sell)

REIT-\$9.95 per transaction (buy & sell)

Any other listed equities-\$9.95 per transaction (buy & sell)

Options:

Equity Options-\$9.95 per transaction and \$1.00 per contract (buy & sell)

Fixed Income:

Best Pick Bonds- No transaction charge

Bonds Flat-\$14.95 transaction charge (buy & sell)

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

The annual fees provided above are payable in advance on a quarterly basis. The initial fee will be based on the value of assets at the inception of Client's program account(s) and then quarterly thereafter based upon the value of the client's account at the last business day of the preceding calendar quarter. The initial fee will be due upon inception. For accounts established in the first

or second month of a quarter, the amount due is prorated for the remainder of the quarter. For accounts established in the third month of a quarter, the amount due will include the prorated amount for the remainder of the quarter as well as fees for the next quarter. The Client authorizes the Asset Management Services department of RBC to debit fees for the Client's account(s) under management by the Advisor.

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

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

Advisory accounts at RBC

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

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

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

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

Should the initial or a subsequent contribution of assets take place during a month, the fee for such contribution will be prorated for the remainder of the month and will be due within a reasonable period upon request. The initial fee will be due upon inception. For accounts established during a month, the amount due is prorated for the remainder of the month. The

Client authorizes the custodian to debit fees for the Client's account(s) under management by the Advisor.

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

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

Advisor Choice Program/AssetMark Programs/Brinker Capital

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

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

Flexible Plan Investments, Ltd. Referral agreement

Application of the Flexible fee schedule in connection with employee retirement accounts managed by Adviser pursuant to its referral agreement shall result in a total advisory fee not to exceed 1.5% annually of client's weighted average account value. The fee is payable no less frequently than quarter-annually in arrears, consisting of the Adviser's portion, the referral portion and the administrative portion. The Adviser's portion shall be an annual amount to equal to .50% of the client's weighted average account value. The administrative portion shall be

shared by the record keeper and the third-party administrator for the retirement plan in amount (typically .50% per annum or less) necessary to compensate them for their respective services to the plan.

The Referral Portion shall be paid to Solicitor not less frequently than quarterly-annually in amount equal to the Client's Weighted Average Account Value Multiplied by one-fourth (One-twelfth if paid monthly) of the annual referral fee percentage elected by Solicitor's agent on behalf of solicitor. The aggregate of the annual percentages elected as the referral portion and the administrative portion shall, in no event, exceed 1%. The percentage designated as referral fee with respect to any plan participant account shall:

- a. be elected on a plan by plan basis such that the elected percentage is uniformly applied to each Participant account under a specific plan,*
- b. be stated as an annual amount in increments of five basis points,*
- c. in no event, when coupled with the administrative portion, exceed an annual percentage rate of 1% of weighted average account value,*
- d. be subject to automatic reduction by that amount necessary to assure that such referral portion, when coupled with the adviser portion and the administrative portion, not exceed an annual percentage rate of 1.5% of weighted average account value.*
- e. be subject to decrease at any time by written directive signed by an authorized agent of solicitor.*

- f. be subject to increase only pursuant to written directive signed by plan sponsor, plan trustee and each plan participant who has contracted with adviser for management services as well as by an authorized agent of Solicitor.*

For further information please send a request to the SB Compliance department at 404.382.5223 or judy@sanblassecurities.com.

FINANCIAL PLANNING

Comprehensive Financial Planning

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

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

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

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

Limited Financial Planning

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

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

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

Hourly Financial Planning and Consulting

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

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

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

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

ADDITIONAL DISCLOSURES

Investment adviser representatives of the Advisor in the role of a broker/dealer representative receive commissions for the sale of investments through San Blas Securities, LLC, and compensation for the sale insurance products as insurance agents. Commissions for the sale of investments may be the result of transactions conducted as part of the above-stated programs pursuant to an advisory agreement entered into by the Client or for transactions in Client accounts and assets that are not being managed pursuant to an advisory agreement executed by a Client. Any compensation or commissions received by an agent for insurance transactions are received outside the scope of an advisory agreement executed by a Client. The receipt of commissions and compensation for transactions represents a conflict of interest as the investment adviser representative have an incentive to recommend securities and insurance products on the basis of compensation received rather than on the Client's needs. The Advisor has adopted policies for the review of commissions along with the quality of executions as part of its procedures on best execution to mitigate potential negative consequences to the Client, such as the payment of higher commissions relative to the enhanced ability of the Advisor and its investment adviser representatives to service Clients. The Advisor has adopted policies prohibiting the recommendation of a money manager/program to a Client solely on the basis of compensation received. The Advisor has also adopted practices for the review of accounts to ensure that programs selected are in the best interest of the Client. For financial planning services, the Advisor has adopted practices and policies to review financial plans and financial planning services to ensure that services provided are in the best interest of Clients and are consistent with the Advisor's fiduciary duty to Clients.

Clients have the option to purchase investment products recommended by the Advisor or its investment adviser representatives in their capacity as registered representatives of the broker/dealer affiliate or through other broker/dealers or registered representatives not affiliated with the SB Advisory. The Advisor and its investment adviser representatives are primarily compensated through fees discussed above and not commissions from advisory clients of the Advisor. In programs with commission charges, Clients incur a reduced commission charge than would be otherwise be available if the Client were to affect the recommended transactions through a brokerage account established through the San Blas Securities, LLC. More so, the advisory fees charged to Clients have been reduced to offset commission or markup charges.

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

None of the advisors at SB Advisory accepts performance-based fees – that is, fees based on a share of capital gains or capital appreciation of assets (such as a client that is a hedge fund or other pooled investment vehicle). We also do not participate in side-by-side management, where

an advisor manages accounts that are both charged a performance-based fee and accounts that are charged another type of fee, such as an hourly or fixed fee or an asset-based fee.

Item 7 – Types of Clients

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

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

- AssetMark (\$25,000 - \$50,000 for mutual funds and \$100,000 for ETFs)
- Brinker Capital (\$50,000)
- Financial Planning Programs – no minimums

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

METHODS OF ANALYSIS

SB Advisory, LLC may utilize a wide variety of sources and tools for analyzing securities and providing advice. SB Advisory, LLC may utilize a wide variety of sources and tools for analyzing securities and providing advice. This includes, among others, print media (newspapers, journals, and magazines); third party research; corporate rating services; annual reports; company press releases; filings with the SEC; sales literature of product sponsors; and information generally available through the Internet. Software or web-based programs for security analysis may also be utilized. SB Advisory, LLC may use technical, fundamental, qualitative, or a combination of analysis methods in making recommendations to a Client and/or making investment transactions for a Client's account.

SB Advisory, LLC may employ technical, fundamental, qualitative, or a combination of analysis methods in making recommendations to a Client and/or making investment transactions for a Client's account.

Technical Analysis

Technical analysis is the forecasting of future price movements of a given security based on an examination of past price movements. With this method of analysis, there is a general belief that one can identify a trend and conduct transactions based on a trend to generate profits. Price movements may be examined based on the movements on a security or relative to other securities, industry benchmarks, and competitors. Further, price movements may be applied to varying time frames. The primary tools used in technical analysis are charts of price movements.

Fundamental Analysis

Fundamental analysis is a method of evaluation that attempts to measure the value of a

security by examining economic, industry, and company condition. Fundamental analysis typically focuses on key statistics in a company's financial statements to determine the valuation of a security. Common tools used in fundamental analysis are the review of financial ratios and financial statements.

Qualitative Analysis

Qualitative analysis is a method of evaluating non-quantifiable factors of a security such as the quality of management, labor relations, and the strength of research and development factors not readily subject to measurement. The risk of qualitative analysis is that by itself it does not factor in the attributes of fundamental or technical analysis. It is a limited approach that must be utilized with fundamental and/or technical analysis in making recommendations or selections of securities.

INVESTMENT STRATEGIES

Under the Portfolio Management Programs, SB Advisory, LLC may employ a variety of investment strategies and securities to tailor a portfolio that meets the needs of its Clients. Accordingly, there is no uniform investment strategy applied for all Clients. However, among the strategies that may be utilized with a Client are as follows:

1. an asset allocation program utilizing mutual funds and/or exchange-traded funds to provide customers broad-based diversification among asset and sector classes; and,
2. investing in financially strong, undervalued stocks of companies. Additional strategies or methods may be employed based on the needs and desires of the Client.

Asset Allocation Utilizing Mutual Funds and Exchange Traded Funds

Asset allocation utilizing mutual funds and exchange-traded funds is primarily utilized to provide customers broad-based diversification among asset and sector classes. This strategy enables Clients to indirectly invest in the securities of indexes, sectors, industries, and compilations of companies thus limiting downside risk, in particular non-systematic risk, associated with investing in a security of a particular company. This is also a more cost-effective approach than trying to invest in individual securities of companies to replicate the composition of an index, sector, or industry.

Asset allocation programs utilizing mutual funds and exchange-traded funds involve risks. 1) Exchange traded funds and mutual funds may not be able to replicate the performance of underlying index or sector because of expenses, composition, or other factors. 2) Mutual funds and exchange traded funds possessing international investments are subject to the risk of capital loss due to unfavorable fluctuations in currency exchange rates, difference in accounting principles, or economic or political instability in other nations. 3) News or performance affecting a particular industry or market sector may negatively impact the performance of an entire mutual fund or exchange traded fund. 4) The use of leverage exchange traded funds may result in greater losses or gains as such exchange traded funds increase or decrease at a multiple (i.e. 2x or 3x) of most exchange traded funds.

In using mutual funds, as part of an asset allocation program or not, the Client may be subject to sales loads, otherwise known as commissions, in the purchase or sale of a mutual fund. Sales loads vary widely based on the underlying portfolio, class of share selected, and dollar amount

invested. The Advisor and its investment adviser representative will seek to purchase mutual funds possessing no sales load. For no-load funds or mutual funds possessing a sales load, a Client's mutual fund holding will be subject to annual fees that are assessed by the mutual fund. Sales loads and annual fees negatively impact the net performance of a mutual fund. The objectives and positions of mutual funds vary in nature and type. Accordingly, the performance of mutual funds may deviate significantly to the performance of market benchmarks, such as the Dow Jones Industrial Average or the Standard and Poor's 500 Index.

Investments in Strong, Undervalued Companies

A strategy that may be employed by SB Advisory, LLC is to seek opportunities to invest in companies that are financially strong, yet undervalued. SB Advisory, LLC will look for potential buying opportunities of stocks of companies who SB Advisory, LLC has researched and determined that the stock price is not reflective of the underlying value and strength of the company. It is common that SB Advisory, LLC performs financial measurements, statement analysis, and comparative analysis of a company's industry and sector in addition to third-party research in assessing whether a stock trades below an assumed value(s). Technical analysis may also be utilized as to when to purchase/recommend a security and when to exit/sale a security.

Investments in financially strong, undervalued stocks of companies involve risks. 1) By investing in securities of individual companies, Clients will generally possess a lower level of diversification than would otherwise be available by investing in a mutual fund based on a broad-based, market index. A lack of diversification may result in a portfolio being more adversely impacted by news and/or events affecting a company or its industry. 2) Appreciation or the growth rate in the price of the security may be lower than other types of securities, including stocks. It is common that the stock price of many companies may not appreciate as much as a growth or aggressive stock, such as a stock of a technology company. 3) Stock investing may result in substantial or total losses. 4) The individual stock may not perform or increase as well as or at the time a recommendation/purchase takes place.

In using stocks as an investment vehicle, the Client is advised that use of stocks of companies may result in a commission charge based on the program selected. Clients are advised that stocks may fluctuate widely due to firm specific events, financial market events, political events, and changes in regulations. The degree to which a stock may fluctuate is not certain or predictable; however, it is noted that some stocks move in a higher degree of correlation to overall stock markets. Conversely, the investment in financially strong, undervalued stocks may be indicative of stocks whose price movement has been generally less than that of the overall markets. Investing in individual securities provides less diversification by themselves than investments in multiple stocks, a mutual fund comprised of securities of multiple companies or issuers, or through the use of multiple types of investment vehicles (i.e. stocks, bonds, mutual funds, etc.). For any strategy employing the frequent trading of securities, investment performance may be negatively impacted due to increased transactions costs (i.e. commissions) as well as higher tax rates due to differentials in tax rates between short-term and long-term holdings. Clients are advised to be mindful of these potential negative consequences.

RISK OF LOSS AND ADDITIONAL RISKS

Investing in securities involves risk of loss that Clients should be prepared to bear. There can be no guarantee of success with the strategies or programs offered by SB Advisory, LLC. Past

performance is not a guarantee of future returns. For Turnkey Asset Management Programs, risks of investing are further discussed in the Form ADV of the money manager.

As risk is present in any form of investing, some of the more common risks that a Client may be exposed to are:

- Interest-Rate Risk: Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- Market Risk: The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's underlying circumstances. For example, political, economic and social conditions may trigger market events.
- Inflation Risk: When any type of inflation is present, a dollar today will buy more than a dollar next year, because purchasing power is eroding at the rate of inflation.
- Currency Risk: Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- Reinvestment Risk: This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- Dividend Risk: The risk that the dividend rate offered by a company for an investment in their stock may change due to decisions by the company on whether eliminate or decrease a dividend offered with an investment in a stock.
- Business Risk: These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- Default Risk: The inability of an issuer of repay fixed income securities or meet continuing payment obligations.
- Liquidity Risk: Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- Financial Risk: Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.
- Long-term Trading - Long term trading allows for a longer time period for prices of securities to fluctuate. This may result a Client receiving an execution price at the time of exiting a position that is lower than the price of the security at some point during the holding of such security. Further, by holding a security for a longer length of time, SB Advisory, LLC may not be able to take advantage of short-term trading that could be profitable to a Client.
- Short-term trading – Short term trading, particularly frequent trading, can affect investment performance particularly through increased brokerage and other transaction costs and taxes due to differential in tax rates between short-term and long-term holdings. Clients are advised to be mindful of these potential negative

consequences. Further, short-term trading creates the potential for sudden losses in addition to gains.

- **Margin Risk** - The use of margin transactions results in higher costs and generally holds a greater risk. The increased costs are due to interest owed by a Client in borrowing money for effecting and maintaining transactions in securities. The use of margin allows Advisor the ability purchase an increased number of securities, which due to their inherent risk, can result in greater fluctuation in the value of a portfolio or exposure to any one security.
- **Short Sales** – Short sales are when a Client sells a security for which it does not own in anticipation that the price of the underlying security will go down in value so that it can be repurchased to close the outstanding short sale and obtain a profit in the security. The risk is that the underlying security may go up in value and cannot be bought at a price lower than for which it was sold thus resulting in a loss to the Client.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of SB Advisory, LLC or the integrity of SB Advisory LLC's management. Any such disciplinary information for the company and the company's investment advisor representatives would be provided herein and publicly accessible by selecting the Investment Advisor Search option at <http://www.adviserinfo.sec.gov>. SB Advisory, LLC has no items to report that apply to the management team or the Advisor; however, the individual disclosure brochures for certain investment advisor representatives include disciplinary information that requires disclosure.

Item 10 – Other Financial Industry Activities and Affiliations

IFS Group Inc. is the holding company of SB Advisory and San Blas Securities. Management personnel of SB Advisory, LLC may be registered as Registered Representatives and Investment Advisor representatives of San Blas Securities.

Investment Adviser Representatives of SB Advisory, LLC who do not serve in a management capacity are usually registered representatives of San Blas Securities. Investment adviser representatives of SB Advisory, LLC may also serve as insurance agents in conducting business through FMO.

In providing the various programs stated above, the Advisor recommends and/or selects its San Blas Securities, LLC, to serve as the broker/dealer of record for Clients of the Advisor. In this capacity, the broker/dealer will transmit orders placed by the Advisor. Upon execution of transactions and depending on the program selected, the broker/dealer may receive commissions for the execution of transactions on behalf of Clients of the Advisor, which are distributed in part to registered representatives of the broker/dealer, who also serve as investment adviser representatives of the Advisor. Accordingly, investment adviser representatives of the Advisor may receive a portion of the commissions along with a portion of any fees of the Advisor. Commissions may or may not be higher than commission charged by other broker/dealers.

The practice of utilizing the Advisor's affiliated broker/dealer presents a conflict of interest. Investment adviser representatives of the Advisor may recommend a security to a Client to be

purchased through the affiliated broker/dealer due to the additional commissions the investment adviser representative and the affiliated broker/dealer will receive. More so, the investment adviser representatives and the affiliated broker/dealer are entitled to commissions they would not otherwise be entitled to have the transaction been placed with another broker/dealer.

SB Advisory, LLC endeavors to put the interests of Clients first as part of its fiduciary duty. SB Advisory, LLC has taken several actions and practices to mitigate conflicts of interests. These are: 1) adopted a Code of Ethics, which is detailed in Item 11, for which all investment adviser representatives are required to uphold and follow; 2) adopted supervisory procedures to further define supervision and policies required to be followed; 3) implemented a compliance program for monitoring and reviewing advisory business, including reviewing accounts, transactions, and best execution; 4) prohibited the management of annuity sub-accounts for a fee so we do not receive commissions and on-going advisory portfolio management fees for sub-accounts; and 5) implemented regular education on pertinent topics through its affiliated broker/dealer.

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

The Advisor has adopted policies prohibiting the recommendation of a money manager/program to a Client solely on the basis of compensation received. The Advisor requires all recommendations of money managers/programs to be in the best interest of the Client based on the information ascertained from the Client by the Advisor and its investment adviser representatives.

The recommendation of programs where commission charges exist presents a conflict of interest as investment adviser representatives of the Advisor have an incentive to recommend programs with commission charges to increase their compensation rather than meet the needs of Clients. The Advisor has also adopted practices for the review of accounts to ensure that programs selected are in the best interest of the Client.

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

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

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

SB Advisory, LLC has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its Clients. The Code of Ethics includes provisions relating to the confidentiality of Client information, a prohibition on insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. SB Advisory, LLC's Clients or prospective clients may request a copy of the firm's Code of Ethics by contacting the Chief Compliance Officer, Danny Padilla at (404) 334- 0341.

Subject to satisfying this policy and applicable laws, officers, directors and investment adviser representatives of SB Advisory, LLC and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for SB Advisory, LLC's Clients. This

presents a conflict of interest as investment adviser representatives of the Advisor could receive an execution for a transaction for an account in which they have financial interest that is superior to that received by a Client. To address this conflict, the Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the supervised persons of the Advisor will not interfere with 1) making decisions in the best interest of advisory clients and 2) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Further, the Advisor requires investment adviser representatives, in conducting accounts in which they have beneficial ownership or control, to only affect transactions in their accounts after all allocations have been made to Clients unless their order is entered in concert with other Client orders at the same time to receive the same execution price.

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

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

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

Item 12 – Brokerage Practices

SB Advisory, LLC, in providing services to Clients, recommends its affiliated broker/dealer, San Blas Securities, for the entering of transactions for routing to its custodian RBC for execution. All client assets are maintained at either one of these two custodians for accounts serviced under the Portfolio Management Programs other than in the case of the Advisor Choice Program, AssetMark, and Brinker Capital, in which case the custodian utilized is, subject to the terms and conditions imposed by the third-party manager and/or custodian.

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

from the Client by the Advisor and its investment adviser representatives.

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

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

Item 13 – Review of Accounts

The Chief Compliance Officer and any designee he/she may appoint reviews selected accounts on a periodic basis. In such a review, the Chief Compliance Officer is evaluating transaction history relative to the Client's profile and the underlying investment adviser representative's compliance with firm policies and fiduciary standards. Additional account reviews may be triggered by a specific client request; a customer complaint; or, as needed, based on activity levels within an account. A sample of financial plans will be reviewed as needed by the Chief Compliance Officer. Investment Adviser Representatives of SB Advisory, LLC are responsible for continuously monitoring Client accounts in considering the Client's profile, various events (i.e., political, market, etc.), and changes in securities and companies that are currently being held by a Client. Investment adviser representatives providing financial planning services are responsible for reviewing such financial plans in accordance with any contractual agreements entered into by the Client.

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

Item 14 – Client Referrals and Other Compensation

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

best interest of the Client based on the information ascertained from the Client by the Advisor and its investment adviser representatives.

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

Item 15 – Custody

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

Item 16 – Investment Discretion

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

In all cases, discretion is to be exercised in a manner consistent with the stated investment objectives for the particular Client account. When selecting securities and determining amounts, SB Advisory, LLC observes the investment policies, limitations and restrictions of the Clients for which it advises. Investment guidelines and restrictions must be provided to SB Advisory, LLC in writing.

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

Item 17 – Voting Client Securities

As a matter of policy and practice, SB Advisory, LLC does not have any authority to and does not vote proxies on behalf of separately managed account Clients. Clients retain the responsibility for receiving and voting proxies for securities maintained in Client portfolios. SB Advisory, LLC may provide advice to Clients regarding the clients' voting of proxies. All

proxies or other solicitations for proxy voting come directly from the custodian or transfer agent and not from SB Advisory, LLC. Clients having questions about proxies or other solicitations may contact their investment adviser representative at SB Advisory, LLC. Contact information for the investment adviser representative is provided for in the ADV Part 2B, which provides details concerning the investment adviser representative.

Item 18 – Financial Information

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