



SOVRAN ADVISORS, LLC

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This brochure provides important information about Sovran Advisors, LLC (Firm). You should use this brochure to understand the relationship between you, the Firm, and your investment adviser representative (IAR or Advisor). If you have any questions about the contents of this brochure, please contact our Chief Compliance Officer (CCO) at (626) 755-2195.

The Firm is registered with the Securities and Exchange Commission (SEC) as a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. The information in this brochure has not been approved nor verified by the SEC or by any state securities authority.

Additional information about the Firm is also available on the SEC's website at www.adviserinfo.sec.gov (select "investment adviser firm" and type in our name).

Elizabeth Arce
Chief Compliance Officer
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Version Date: April 19, 2024

ITEM 2 – MATERIAL CHANGES

Sovran Advisors, LLC (“Sovran” or the “Firm”) has updated our ADV Part 2A Disclosure Brochure to reflect the following change(s):

- Item 1 – Cover Page – Updated to disclose the Firm’s new primary phone number for contacting the Firm and/or its CCO.
- Item 4 – Advisory Business – Updated to disclose: (i) Sovran’s relationship with AssetMark, its use of the AssetMark Platform, and access to third-party managers thereon; and (ii) the Firm’s assets under management (“AUM”) and assets under advisement “AUA”) as of April 17, 2024.
- Item 5 – Fees and Compensation- Updated to provide: (i) fee disclosures pertaining to the Firm’s Retirement Plan Consulting Services; (ii) fee disclosures pertaining to client assets managed on the AssetMark Platform; and (iii) additional disclosures concerning conflicts of interests associated with Advisors’ use of Sovran’s own Portfolio Models.
- Item 14 – Client Referrals and Other Compensation – Updated to disclose: (i) the Firm’s use of unaffiliated third-party promoters/solicitors; and (ii) the Firm receiving compensation from third-parties for promoting/soliciting on their behalf.

Our previous version of Form ADV Part 2A was dated February 22, 2024.

Will I receive a brochure every year?

Sovran will ensure that clients receive a summary of any materials changes to this Brochure within 120 days of the close of Sovran’s fiscal year-end. Additionally, as the Firm experiences material changes in the future, we will send you a summary of our “Material Changes” under separate cover. For more information about the firm, please contact us at (626)-755-2195.

May I request additional copies of the brochure?

Absolutely. You may request and receive additional copies of this Brochure in one of three ways:

1. Contact the Advisor with whom you are working with.
2. Download the Brochure from the SEC website at www.adviserinfo.gov. Select “investment adviser firm” and type in our Firm name.
3. Contact us at (626) 755-2195.

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ITEM 4 – ADVISORY BUSINESS

A. Description of Firm

Sovran Advisors, LLC ("Sovran" or the "Firm") provides investment advisory services designed to help clients fulfill their financial goals. The Firm conducts investment advisory business throughout the United States through investment adviser representatives ("IARs" or "Advisors") associated with the Firm.

The firm is organized as a Limited Liability Company (LLC) under the laws of the State of California and is a wholly owned subsidiary of Sovran USA, Inc. Sovran was founded in 2023. Jeremy S. Martinson ("Mr. Martinson") serves as the Firm's President, Chief Financial Officer, and Secretary. Paul R. Justin ("Mr. Justin") serves as the Firm's Chief Executive Officer. Elizabeth Espinoza serves as the Firm's Chief Compliance Officer ("CCO"). Such persons serve as "control persons" for the Firm and are responsible for the day-to-day operations. This Disclosure Brochure provides information regarding the qualifications, business practices, and the advisory services provided by Sovran.

As used in this Brochure, the words "Sovran," "Firm", "we," "our," and "us" refer to Sovran Advisors; and the words "you," "your," and "Client" refer to you as either a client or prospective client of Sovran. Also, you may see the term Associated Person in this Brochure. Associated Persons are Sovran's officers, employees, and all individuals providing investment advice on behalf of the Firm. The term "Advisors" refers to the investment adviser representatives offering advice on behalf of Sovran.

B. Types of Advisory Services Offered

Sovran offers multiple services through various programs described in this ADV Part 2A Brochure (collectively the "Programs"). There is no guarantee that the advisory services offered under our various Programs described in this Brochure will result in your goals and objectives being met. Nor is there any guarantee of profit or protection from loss. No assumption can be made that an advisory fee arrangement or portfolio management service of any nature will provide a better return than other investment vehicles.

1. Financial Planning Services

Financial planning services are designed to provide highly customized financial planning advice for the Client that will address the Client's stated financial objectives and/or concerns. The Firm will provide financial planning services to the Client, pursuant to a written financial planning agreement. The content and scope of the financial planning recommendations may include but will not be limited to a net worth statement, a cash flow statement, analysis of the aforementioned, and a recommended course of action detailing the specific financial recommendations being made to help the Client achieve their stated financial goals and objectives. In addition, and/or in conjunction with the Client's stated financial goals and objectives, on an ongoing or fixed engagement basis, the following areas shall be addressed in the financial analysis and subsequent recommendations as applicable:

1. Financial Position (cash flow & debt structure management)
2. Income Tax Planning
3. Investment Planning
4. Employee Benefits Planning
5. Retirement Planning
6. Business Planning
7. Insurance Planning & Risk Management
8. Estate Planning

Sovran is configured to provide for financial planning advice in two distinct methods as follows:

i. One Time Fixed Engagement – Development and delivery of customized financial advice tailored to the Client's unique financial objectives and circumstance. The financial advice will address the Client's specific and current financial objectives and/or concerns (not ongoing financial advice). Based on the need of the Client, a fixed engagement may also be narrow in scope (such as an engagement specifically focused on estate planning, business planning, or major purchase planning). In most circumstances, a personalized interactive financial planning website will be created and shared with the Client. This provides the Client with secure access to on-demand financial reports that may include but are not limited to; cash flow, balance sheet, income statement, and retirement projections. The Client relationship in the fixed engagement financial planning capacity terminates once the recommendations addressing all the Clients specific financial objectives have been delivered to the Client and all questions and concerns regarding the recommendations have been addressed. Unless otherwise stated, the total timeframe for a fixed engagement shall not exceed 6 months.

ii. Ongoing Services – This includes the development and delivery of customized financial advice as illustrated above in the One Time Fixed Engagement model, plus ongoing advice. Ongoing financial advice includes unlimited telephone and in person meetings to address any and all financial concerns of the Client. Also included are periodic meetings initiated by the Advisor to proactively address financial considerations and opportunities that may arise due to macroeconomic factors or potential changes in the Client's financial circumstance.

The Firm may also refer Clients to an accountant, attorney, or another specialist, as appropriate for their unique situation. Financial planning recommendations pose a conflict between the interests of Sovran and the interests of the Client. For example, the Firm has an incentive to recommend that Clients engage Sovran for investment management services or to increase the level of investment assets with the Firm, as it would increase the amount of advisory fees paid Sovran and the respective Advisor. Clients are not obligated to implement any recommendations made by the Advisor or maintain an ongoing relationship with the Advisor. If the Client elects to act on

any of the recommendations made by the Advisor, the Client is under no obligation to implement the transaction through Sovran or the respective Advisor.

Clients should understand that a conflict of interest exists if Sovran recommends its own portfolio management services as the Firm assesses additional fees for assets managed pursuant to its Portfolio Models. Financial planning recommendations are based on the client's financial situation at the time the recommendations are provided and are based on the information provided by the client. In addition, certain assumptions may be made with respect to interest and inflation rates, use of past trends, and performance of the market and economy. Past performance is in no way an indication of future performance and Sovran cannot offer any guarantees or promises that the client's financial goals and objectives will be met. As a client's financial situation, goals, objectives, or needs change, the client is strongly urged to promptly notify Sovran.

2. Investment Management Services.

Sovran provides discretionary investment advice and management to separately managed accounts on a continuous basis and in accordance with the investment objectives and strategies provided by the Client. Sovran holds a limited power of attorney to act on a discretionary basis with client funds. The Firm's discretionary authority is subject to conditions or restrictions imposed by a Client, such as when a Client restricts or prohibits transactions in a particular security.

Advisors shall have the power and authority to supervise and direct, on a discretionary basis, the investments of and for Client accounts (the "Account(s)"). Client Accounts will either be invested as part of the "Advisor as Portfolio Manager Program ("APM")," or the "Unified Managed Account Program ("UMA")," or both, or with a Third-Party Investment Manager, depending on the Client's investment goals and objectives.

i. Advisor as Portfolio Manager Program ("APM Accounts"). The Advisor as Portfolio Manager Program is a discretionary program whereby Advisor is responsible for the creation, implementation, and ongoing management of the Client's investment strategy, as well as rebalancing and trading functions. Advisor will work together with the Client on determining the investment strategy made in accordance with a written Investment Policy Statement, and with the additional objectives of the Client as communicated to the Advisor from time to time. The Advisor shall periodically appraise and review the investments of the APM Account(s) together with all additions, substitutions, and alterations thereto. APM offers Clients access to a selection of multiple products and security types. Investments may include, but are not limited to, common or preferred stocks, options, warrants, rights, synthetic securities, exchange traded funds, mutual funds, alternatives, corporate, municipal or government bonds, notes, and/or bills. All or a portion of the Account(s) may be held in cash or cash equivalents including securities issued by money market mutual funds. The minimum APM Program Account size is \$25,000. Under certain circumstances, this minimum may be waived.

a. Sovran Managed Portfolios. In addition to any investment strategy created, managed, and traded by the Advisor as described above, as part of the APM program, the Advisor may also leverage "Sovran Managed Portfolio Models" (the "Portfolio Models") that can be used in lieu of, or in addition to, Advisor created strategies. Advisor, at its discretion, may create a customized investment strategy for the Client using one or more Portfolio Models. These models include a broad array of both active and passive investment strategies that accommodate a wide array of investment risk profiles. The ability to include more than one Portfolio Model in the same Account expands the Advisor's ability to diversify the Client's investments. The Firm assesses additional fees on assets placed in its Portfolio Models. Please see Item 5 below for additional information.

ii. Unified Managed Account Program ("UMA Accounts"). The Unified Managed Account Program is a discretionary program granted to the Firm through its relationship with Cetera Investment Services LLC, that provides single, or multiple, model options with the ability to access a curated list of third-party investment advisers (each a "Strategist" and collectively the "Strategists") that can be used in lieu of, or in addition to, Advisor created strategies. The Advisor, at their discretion, may create a customized investment strategy for the Client using one or more model(s) created by third-party Strategists in addition to any Advisor strategy. The ability to include more than one model in the same Account expands the Advisor's ability to diversify the Client's investments. Advisor will initially work together with the Client on allocating the Client's assets into one or more UMA Account(s) in accordance with a written Investment Policy Statement. Rebalancing and trading in UMA Accounts (collectively "Administrative Services") is managed by the Custodian for an additional fee (please see Item 5 below for a description of "Administration Fees"). Third-party Strategist created portfolio models are typically asset-based models from a comprehensive perspective using mutual funds, exchange-traded funds, individual securities, or a combination thereof. The minimum UMA Program Account size is \$25,000. Under certain circumstances, this minimum may be waived.

iii. Selection of Third-Party Managers. At times, Sovran will also direct Clients to one or more third-party investment managers ("TPIMs"), other than Strategists available to the Firm through Cetera's UMA platform, to manage a portion of the Client's assets if the Firm deems such actions to be in the best interest of the Client. Before selecting TPIMs for Clients, Sovran will: (i) verify that all recommended TPIMs are properly licensed, notice filed, or exempt in the states where Sovran is recommending the adviser to Clients; (ii) gather such information as investment objectives, risk tolerance, investment guidelines, time horizons and other important and necessary information relating to the Client's assets; (iii) based upon such information, determine appropriate allocations of Client's assets; and (iv) recommend one or more TPIMs whose management style and strategies are consistent with Client's objectives and financial profile. Depending upon the TPIM selected, Clients may be required to enter into a separate advisory agreement with the TPIM, which will be in addition to, and distinct from, the Client Agreement executed with the Firm. TPIMs will typically have discretionary authority over the assets allocated for management, and authorized to buy, sell, and trade in securities in accordance with the Client's investment objectives and/or selected investment strategy. Sovran shall typically provide information and/or documentation to the TPIM relative to the Client's investment

objective(s), initially when the account is opened, and anytime the Client informs the Firm of any change to their investment objectives. Sovran's fees do not include those fees associated with allocating Client assets to designated TPIMs.

- a. AssetMark Platform.** Sovran has entered into a platform agreement with AssetMark, Inc. ("AssetMark") pursuant to which we manage custom strategies under AssetMark's Advisor as Strategist Program (the "AssetMark Program"). At the onset of the engagement, Clients will enter a "*Client Services Agreement*" ("CSA") setting forth the terms of the relationship between the Client, Sovran, and AssetMark pertaining to the investment of Client assets in the AssetMark Program. Under the AssetMark Program, Sovran has full and complete discretion to manage, supervise and direct the investment and re-investment of a Client's account assets, subject to: (i) the terms of the CSA, (ii) the terms of the Agreement, and/or (iii) the investment mandate of selected investment strategies (each, a "Custom Strategy"; for the avoidance of doubt, the Custom Strategies offered in connection with the AssetMark Program are not the same as the "APM Accounts" or "Sovran Managed Portfolio Models" described elsewhere in this Brochure, but certain Custom Strategies may be substantially similar to the aforementioned models) developed by Sovran consisting of (1) investments in shares of the Mutual Funds; and (2) an insured cash deposit program offered by AssetMark Trust Company ("ATC"), into which we shall instruct ATC to maintain a target allocation of client account assets for liquidity purposes. Pursuant to the AssetMark Program, uninvested cash balances may also be temporarily invested (or "swept") into one or more third-party money market funds registered under the 1940 Act. Such money market funds are not managed by or affiliated with Sovran. Sovran, with the support of its IARs, and in connection with managing client account assets, will (a) retrieve information relevant to a client's financial situation, investment goals and investment objectives (collectively, "Investment Objectives"); (b) invest and re-invest all or a portion of client account assets pursuant to a Custom Strategy, consistent with the Investment Objectives; (c) periodically monitor the allocation of client account assets for consistency with the Investment Objectives, rebalance each account's allocation in accordance with the Custom Strategy selected and change the selected Custom Strategy used for the account, as appropriate; and (d) consult with each client on a periodic basis regarding the Investment Objectives. Clients participating in the AssetMark Program must invest a minimum of \$6,000 to open a qualified account and a minimum of \$10,000 to open a non-qualified account. Please see Item 5 (Fees and Compensation) for additional information specific to the AssetMark Program. Sovran will not maintain possession or custody of the funds or securities of any Client. The Client funds will typically be deposited in either a brokerage firm or Custodian account. With Client's written consent, Sovran will cause its fees to be paid out of Clients' separately managed accounts by the Client's Custodian.

All investment advice is customizable, with each Account managed according to the investment objectives, needs, guidelines, risk tolerance, conditions/restrictions, and other information as provided by the Client. While Sovran will customize the portfolios, for example to help ensure suitability and/or to incorporate client restrictions, several clients can be invested in the same or similar investment strategy at any given time – especially if an Advisor is utilizing the Sovran Managed Portfolio Models, or one or more Strategist models.

3. Retirement Plan Consulting Services

Sovran offers consulting and management services to organizations ("Plan Sponsor") who sponsor qualified (or nonqualified) retirement plans ("Plans"), for the benefit of its employees, and intended to comply with all applicable federal laws and regulations, including the Internal Revenue Code of 1986, as amended, and the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended, if applicable. Retirement Plan Consulting Services typically includes, but is not limited to:

- Assisting with the development and updates of an Investment Policy Statement ("IPS") for the plan;
- Providing recommendations on investment options for the Plan to offer to participants;
- Monitoring performance of money managers and investment options and making recommendations for changes;
- Facilitating interactions with other retirement plan service providers, such as custodians, third party administrators and record keepers;
- Providing educational presentations to plan participants;
- Facilitation of plan conversions between investment and/or recordkeeping providers; and/or
- Supporting participants with enrollment into the plan, investment or allocation changes, facilitation of loans and/or distributions.

These services are based on the objectives, demographics, time horizon, and/or risk tolerance of the plan and its participants. The terms and conditions of the engagement are generally set forth in the *ERISA Client Agreement* between Sovran and the Plan Sponsor. The Plan fiduciary is free to seek independent advice about the appropriateness of any recommended services for the Plan.

For those services outlined above, Sovran acknowledges that it is a fiduciary with respect to the Plan under Section 3(21)(A)(ii) of ERISA and, as such, is a co-fiduciary with the trustee(s) of the Plan solely with respect to (a) the provision of investment education of the employer and/or Plan participants (depending on the specific services provided); (b) the periodic reporting on, and analysis of, the investment options available under the Plan; and (c) the provision of advice to the trustee(s) regarding the elimination or addition of investment options available under the Plan; provided, however, that the trustee(s) acknowledge and agree that the trustee(s) have the final and conclusive responsibility for the investment options selected to be available under the Plan.

At times, Sovran will also act as an investment manager with respect to the Plan under Section 3(38) of ERISA. In this role, Sovran is a limited scope fiduciary with respect to the plan under Section 3(38) of ERISA for only those services under the Client agreement for which Sovran has explicit authorization and/or discretion over Plan assets. Such services include, but are not limited to, Sovran having discretion over the establishment of the Plan's IPS, and the prudent selection, monitoring, removal, and/or replacement of the Plan's investment options.

Sovran is not responsible for any fiduciary duties or responsibilities imposed on the plan's fiduciaries under ERISA not explicitly contemplated in the Client agreement; and will not be responsible for investment decisions made by plan participants with respect to the investment of their accounts.

C. Advisory Agreements

1. Information Received by Individual Clients

At the onset of the client relationship, Sovran gathers information on each client's investment objectives, risk tolerance, time horizons and financial goals. Sovran does not assume responsibility for the accuracy of the information provided by the client and is not obligated to verify any information received from the client or from any of the client's other professionals (e.g., attorney, accountant, etc.). Under all circumstances, Clients are responsible for promptly notifying Sovran in writing of any material changes to the Client's objectives, risk tolerance, time horizon, and financial goals. In the event a client notifies Sovran of any changes, Sovran will review such changes and implement any necessary revisions to the Client's portfolio. The investment advisory services provided by Sovran Advisors depend largely on the personal information you provide to your Advisor. For our Firm to provide appropriate investment advice to, or, in the case of discretionary accounts, make appropriate investment decisions for you, it is very important that you provide accurate and complete responses to your Advisor's questions about your financial condition, needs and objectives, and any reasonable restrictions you wish to apply to the securities or types of securities to be bought, sold, or held in the managed account. It is also important that you inform your Advisor of any changes in your financial condition, investment objectives, personal circumstances, and reasonable investment restrictions on the account, if any, which may affect your overall investment goals and strategies.

2. Client Agreements and Disclosures

Each Client is required to enter into a written agreement with Sovran setting forth the terms and conditions under which the Firm shall render its services (the "Agreement"). In accordance with applicable laws and regulations, Sovran will provide its Form CRS (ADV Part 3), disclosure brochure (ADV Part 2A), brochure supplement (ADV Part 2B) and most recent Privacy Notice to each Client prior to or contemporaneously with the execution of the Agreement. The Agreement between Sovran and the Client will continue in effect until terminated by either party pursuant to the terms of the Agreement. Sovran's fees (as discussed below) shall be prorated through the date of termination and any remaining balance shall be charged or refunded to the Client, as appropriate, in a timely manner.

Neither Sovran nor the Client may assign the Agreement without the prior consent of the other party. Transactions that do not result in a change of actual control or management of Sovran shall not be considered an assignment.

As further discussed in Item 15 below, Client's assets will be custodied with a qualified Custodian. All Custodial and execution fees assessed for Client's assets remain the sole responsibility of Client.

D. Participation in Wrap Programs

Sovran does not participate in any wrap programs at this time.

E. Amount of Client Assets Managed

As of April 17, 2024, the following represents the amount of client assets under management by the Firm on a discretionary and non-discretionary basis:

Type of Account	Assets Under Management
Discretionary	\$841,576,392
Non-Discretionary	\$0
Total:	\$841,576,392

1. Assets Under Advisement

Sovran also provides investment and financial advice for assets that are not directly managed by the Firm ("Assets Under Advisement" or "AUA"), such as a client's annuity product, 401K, pension, or other deferred compensation plans. As of April 17, 2024, the following represents the amount of AUA by Sovran:

Type of Account	Assets Under Advisement ("AUA")
Total:	\$0

ITEM 5 – FEES AND COMPENSATION

The Firm and your Advisor are compensated in several ways. The Firm wants to ensure Clients understand how the Firm and your Advisor are compensated as well as the other costs associated with your Account. As described in greater detail below, Sovran charges different types of fees, including fees based on a percentage of assets under management, fixed fees, and hourly fees. The specific fees charged by Sovran for its services will be set forth in the Client's Agreement. Fees are negotiable under certain circumstances at the sole

discretion of Sovran. In addition, Sovran has full discretion to waive its advisory fees in their entirety. Although Sovran believes its advisory fees are competitive, clients should be aware that lower fees for comparable services may be available from other sources.

Please note that certain “legacy clients” of the Firm will have a fee schedule and/or billing practices that differ from those disclosed herein. Legacy clients are those clients that had a pre-existing arrangement with an investment adviser representative before that investment adviser representative became registered with Sovran. In those instances, the specific fees and billing practices will be as described in the respective legacy client’s agreement.

A. Fixed and Hourly Fees

The Firm generally charges an hourly fee, fixed fee, or both for its financial planning services. The Firm’s fees vary and are dependent upon the scope and complexity of the requested services and are specified as part of the Client’s Agreement. These rates can be negotiated based on the sole discretion of the Firm.

1. Fees for One-Time Services.

Clients receiving “one-time” services are generally assessed a fixed fee and/or an hourly fee. Generally, rates range from \$2,500 – \$80,000 on a fixed fee basis, or from \$250 – \$750 on an hourly rate basis. Clients are generally requested to pay 50% of the estimated fee upon execution of the Agreement. An invoice for services is issued on completion of the written analysis, which is payable upon receipt. Clients under a one-time Agreement can terminate the Agreement, without penalty, at any time upon written notice. At the time of termination, any prepaid fees will be prorated based on the amount of work completed by the Firm as of the date the notice of termination is received, and any unearned fees will be returned to the client. It is possible that if the client seeks to terminate this Agreement and substantial work has been done to provide services to the Client, the Client may not receive any return of the initial payment.

2. Fees for Ongoing Services

Clients engaging for “ongoing” Services are generally assessed an initial setup fee from \$1,000 - \$15,000, and an ongoing fixed monthly or annual fee. Generally, ongoing fixed fees range from \$2,500 – \$80,000 per annum. Generally, Sovran bills monthly, at the beginning of each calendar month, at a rate of one-twelfth (1/12th) the annual fee per month. In some cases, Sovran provides clients the ability to pay fees for ongoing services on an annual basis, but that is only available in instances where the annual fee does not exceed \$2,000.

Typically, Sovran will send all the client’s invoices to AdvicePay (a secure payment processing application) and AdvicePay will provide client with invoices from Sovran. Clients agree to make all payments through AdvicePay under the terms of client’s separate AdvicePay Account. Payments may be automatically processed through AdvicePay via debit card, ACH, or credit card. Client acknowledges that Sovran will not maintain control, copies, or custody of client’s credit card or payment information at any point. As part of the Client Agreement, clients typically agree to set up and register an account with AdvicePay (“AdvicePay Account”) so that clients can timely pay Sovran invoices through AdvicePay’s portal. The failure to create the AdvicePay Account, or client’s termination of the AdvicePay account, shall constitute grounds for termination.

At times, in its sole discretion, Sovran will allow clients the ability to pay for ongoing financial planning services via check, or an alternate advisory account. If paying by check for ongoing services, Sovran will issue an invoice directly to the client, and invoices are due and payable upon receipt. If an advisory account is utilized for financial planning fees, Sovran sends an invoice to the Custodian indicating the amount of the fees to be deducted from the client’s account[s] at the beginning of the respective period. Clients will be provided with periodic statements from the Custodian reflecting deduction of the fee. It is the responsibility of the client to verify the accuracy of these fees as listed on the Custodian’s brokerage statement as the Custodian does not assume this responsibility. Clients provide written authorization permitting ongoing financial planning fees to be deducted by Sovran to be paid directly from their account[s] held by the Custodian as part of the financial planning agreement and any applicable separate account forms provided by the Custodian. Invoicing client advisory accounts for financial planning fees creates a risk to the client in that such deductions will result in lesser returns on their advisory accounts.

B. Fees Based Upon a Percentage of Assets Under Management

For receiving Investment Management Services, Clients pay an asset-based fee, calculated monthly, in arrears, based on the average daily balance during the billing period. At no time will the total Client Fee exceed two percent (2.0%) of the Client’s assets under management. The Client Fee is comprised of the following, as applicable (collectively the “Client Fee”):

1. Advisor Fee

Advisor will charge you an asset-based advisor fee (“Advisor Fee”) for services provided. The Advisor Fee can be “tiered,” “flat,” or “linear.” A “tiered” Advisor Fee is a blended rate based on the billable Account value in each tier; a “flat” Advisor Fee will keep one consistent fee at a flat rate; and a “linear” Advisor Fee is the rate listed at the highest tier based on the billable Account value. Advisor Fees are negotiable, and the Client’s applicable Advisor Fee will be captured as part of the Client Agreement.

2. Technology Fee

An annual “Technology Fee” applies to all Client Accounts on the APM or UMA Program Platforms. The fee is for the technology provided toolset options utilized by the Advisor’s office to support, among other things, the model management for the Client’s Account. This fee is set at a flat rate of 0.06% of assets under management.

3. Sovran Managed Portfolio Model Fee(s) (for APM Accounts only)

The "Portfolio Model Fees" **are in addition to, and not included as part of the Advisor Fee or Technology Fee described above.** To the extent a Portfolio Model is selected by Advisor; the Client will incur a fee that will vary based upon the selected Portfolio Model, which may be amended from time to time. This Portfolio Model Fee ranges from between 0.01% to 0.13% of assets under management. The Advisor retains discretionary authority to change the selected Portfolio Model at any time. Since Advisors affiliated with Sovran have discretion to either self-manage, select from a variety of TPIMs, or utilize the Firm's Portfolio Models for managing their Client's assets, a conflict of interest exists in that the Firm has a financial incentive to recommend Advisors utilize its Portfolio Models instead of the Advisor self-managing the assets, or using one or more TPIMs. Further, as certain Portfolio Models employ higher fees than others, the Firm is further incentivized to recommend those Portfolio Models that assess higher fees over those that assess lower fees. The Firm attempts to address such conflicts of interest by disclosing it to Clients through the Firm's Brochure, Client Agreement, and/or verbally prior to or at the time Clients enter into an Agreement with Sovran. Additionally, Sovran has made it clear that affiliated Advisors receive no preferential treatment and/or additional compensation for selecting Sovran's Portfolio Models over having the Advisor self/manage or selecting any other TPIM to manage Client assets. Clients should carefully review their Agreement with Sovran for a description of all applicable fees.

4. Administration Fee (for UMA Accounts only)

The "Administration Fee" is assessed by Cetera Investment Services LLC when serving as the Client's Custodian for Administrative Services provided on behalf of the Client's UMA Account(s). Such fees are in addition to the Advisor Fee and Technology Fee. This fee is either 0.02% or 0.05% of assets under management. In the event an Advisor implements a strategy as part of a UMA account, Client will incur an Administration Fee of 0.02%. If the Advisor utilizes a Strategist in an UMA account and a separate Strategist Fee applies, the Administration Fee shall be increased from 0.02% to 0.05% for the portion of the account assets utilizing that Strategist.

5. Strategist Fee(s) (for UMA Accounts only)

Strategies Fee(s) are in addition to, and not included as part of the Advisor Fee, Technology Fee, or Administration Fee described above. To the extent that Strategist models are selected by Advisor, Client will incur a fee that will vary by the selected Strategist, which may be amended from time to time.

6. Retirement Plan Consulting Fees

Fees for Retirement Plan Services will be assessed either on a percentage of assets under management, or flat fee. If fees are based on assets under management, the Firm will typically receive fees on a quarterly or monthly basis, in arrears, directly from the Plan's platform provider/administrator. Fees will either be calculated as (i) a percentage of the market value of the Plan's assets under management as of the close of business on the last business day of the preceding calendar quarter/month (depending on the Client's selection), or (ii) a percentage of the average daily market value of the Plan's assets under management during a billing period.

If employing a flat fee, the Firm will typically receive fees on a quarterly or monthly basis, in arrears or in advance, from the Plan Sponsor and/or the Plan's platform provider/administrator.

The exact fees to be paid by the Client will be included in the Agreement between Sovran and the Plan.

7. TPIM Fees

TPIM fees are typically in addition to the fees assessed by Sovran. Typically, the TPIM will be responsible for collecting its own fees from the Client in accordance with the separate agreement executed by and between the TPIM and Client.

Clients participating in the AssetMark Program pay an annualized "Account Fee," payable quarterly, composed of the Advisor Fee (as described above) and AssetMark's "Platform Fee." AssetMark is responsible for the collection of the Account Fee. The Advisor Fee is paid directly to Sovran by AssetMark for its provision of services to the Client. The Platform Fee provides compensation to AssetMark for maintaining the Platform and pays for its administrative, custodial, and brokerage services provided the Client's account(s). The Platform Fee is based on a percentage of the Client's account assets and is calculated based on the net value of the Client's account assets at the end of each calendar quarter. The Platform Fee is tiered so that the fees are assessed the higher rate unless a breakpoint is reached. The reduced rate only applies to the portion of Client account assets that exceeds the applicable breakpoint. A minimum Platform Fee of \$90.00 shall apply to each account participating in the AssetMark Program.

C. Additional Information Concerning Asset Under Management Fees

Sovran uses an average of the daily balance in the Client's Account throughout the billing period for purposes of determining the market value of the assets upon which fees are based. The Firm relies on the applicable Custodian to price and value assets and provide cost basis information for tax reporting of Client assets. Client should contact the applicable Custodian for the cost basis accounting method applicable to the Client Account(s). Initial cost basis is the value at deposit. Client should use only the cost basis information provided on your Custodial Account statements for tax reporting purposes.

If the Client has multiple Accounts, Client may be able to consolidate Account assets for fee billing purposes and performance reporting, while receiving a reduced fee based on a tiered or linear fee schedule of total advisory assets under management. A "tiered" Advisor Fee is a blended rate based on the billable Account value in each tier; a "flat" Advisor Fee will keep one consistent fee at a flat rate; and a "linear" Advisor Fee is the rate listed at the highest tier based on the billable Account value. You can negotiate this rate with your Advisor. You may consolidate, or "household," these Accounts (when multiple account holders reside in the same primary residence or household) if within the household there are multiple accounts for the same program with the same fee schedule. The default billing method is to debit the Advisor Fee for each Account respectively, although you may be offered the option to have a consolidated management fee deducted from more than one qualifying Account, instead of having management fees deducted from each Account, provided the primary

Account is not a retirement account and that the Accounts have the same Advisor(s). The primary account, as designated on the Consolidated Billing and Reporting Form, will have lower performance returns than it would otherwise have, and your other accounts will have higher returns than they would otherwise have. To determine whether or not this election to consolidate household accounts is appropriate, your Advisor will review with you its applicableness to your particular situation, so that you may make an informed decision in whether to make this election. Generally, householding your accounts will result in a financial benefit to you due to reduced overall Program and Advisor Fees and should be considered where applicable.

Clients should be aware that the compensation to the Firm and your Advisor will differ according to the specific advisory program chosen. The compensation to Sovran, the Custodian, and your Advisor generally will be more than the amounts otherwise received if you participated in another program or paid for investment advice, brokerage, and/or other relevant services separately. As a result of the differences in fee schedules and other sources of compensation that exist among the various advisory programs and services offered by the Firm, the Custodian, and your Advisor, we have a financial incentive to recommend particular programs or services over other programs and services.

In general, we may change our fee schedules at any time by providing you with 30-days advance notice.

You may make additions to or withdrawals from an Account at any time, subject to the Firm's right to terminate the Account if it falls below the minimum account value as determined by the Firm from time to time or as otherwise provided in your Client Agreement. Additions may be in cash or securities, provided that the Firm reserves the right to decline to accept particular securities into the account or to impose a waiting period before certain securities may be deposited.

If cash or securities are accepted for management in your account during the month, a prorated asset-based fee based on the value of the assets will be charged. You may request periodic withdrawals; and alternatively, may withdraw account assets subject to the usual and customary securities settlement procedures. You must acknowledge that your account is responsible for any charges, including contingent deferred sales charges, surrender charges, or redemption fees, that apply to redemptions or liquidations of securities held in the account.

Generally, pursuant to Client instructions and consent, the Firm's AUM fees will be deducted from the Client's account by the custodian as soon as practicable following the end of each applicable period. If requested by the Client, Sovran may, in its sole discretion, invoice Client directly for fees as opposed to debiting the Client's Account. In such cases, invoices are due and payable upon receipt.

D. Other Fees and Expenses

Clients should understand that the fees described above do not include certain charges imposed by third parties such as custodial fees, charges imposed directly by a mutual fund or ETF in the account, which shall be disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Additionally, Clients may incur transaction fees. Clients should further understand that such charges and fees incurred in connection with transactions for a Client's account will be paid out of the assets in the account and are exclusive of and in addition to the fees charged by Sovran.

E. Additional Information Regarding Sovran's Fees

The Agreement for separately managed accounts executed by Clients specifies that payment of Sovran's management fees will be made by the qualified Custodian directly from Client's custodial Account, unless otherwise specified in writing by the Client. Further, the qualified Custodian agrees to deliver an Account statement to the Client, at least quarterly, showing all disbursements, including Sovran's advisory fees, deducted from the account. The Client is encouraged to review all account statements for accuracy and compare them to the invoices and reports received by Client. It is the Client's responsibility (and not the custodian's) to ensure the fee and its calculation in relation to the Client's account is correct. Please note that the fees charged by investment company funds and the Client's Custodian are exclusive of, and in addition to, Sovran's fees.

F. Outside Compensation

Certain representatives of Sovran serve as licensed registered representatives of broker dealers and insurance agents appointed with multiple life, health and disability insurance companies. There are times when representatives of Sovran will recommend the purchase of certain securities and/or insurance products to Sovran clients. Upon purchase, the Sovran representative, in his or her capacity as a registered representative and/or insurance agent, will receive normal and customary commission. For additional information concerning these arrangements, please see Item 10 below.

G. Retirement Plan Consulting Services Fees

Sovran does not have a standard fee schedule for its Retirement Plan Consulting Services. However, the maximum annual fee that may be charged for asset-based fees is 1.25%. In meetings with your Advisor, an appropriate fee for the advisory and/or consulting services to be provided to the Plan will be discussed. Some of the factors used to determine the appropriate fee are the nature of the services being provided, the time related to providing such services, and the complexity of the Plan. Your fee may be either a one-time project fee; an hourly rate fee payable quarterly in arrears; an annual flat fee payable in equal quarterly payments; an annual asset-based fee payable on a quarterly basis; or an annual asset-based tiered schedule fee payable on a quarterly basis. A flat fee is a specific dollar amount that you will pay for services. Tiered fees refer to fee schedules where, as the value of Plan assets reaches a new threshold, the assets above that threshold are charged successively lower percentages.

Fees are typically paid in arrears. This means that a Plan's fees pay for services that the Plan received from the Firm in the prior quarter. Fees may be paid directly from Plan assets or by the client remitting a check from company assets. If fees will be paid from Plan assets, the Plan authorizes the Plan Custodian to calculate the fee appropriate under the executed Agreement and debit the fee from Plan assets and forward the fees to the Firm for payment to the Advisor. It is the Plan's responsibility to verify the accuracy of fee calculations maybe by the Plan Custodian. The value of Plan assets for fee calculations purposes will be reported by the Plan Custodian. The option to pay by check is available when the Plan selects to pay an annual flat fee, hourly rate or one-time project fee.

ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

The Firm does not charge performance-based fees (i.e., fees calculated based on a share of capital gains upon or capital appreciation of the funds or any portion of the funds of an advisory Client). Consequently, the Firm does not engage in side-by-side management of accounts that are charged a performance-based fee with accounts that are charged another type of fee (such as assets under management). As described above, the Firm provides advisory services for a percentage of assets under management, in accordance with applicable regulations.

ITEM 7 – TYPES OF CLIENTS

A. Description

Sovran provides advisory services to individuals, high net worth individuals, charitable organizations, corporations, tax-qualified retirement plans, and other institutions ("Client").

B. Conditions for Managing Accounts

The Firm generally requires a minimum initial investment of \$25,000 for its APM and UMA Program Platforms. However, the Firm reserves the right to accept or decline a potential Client for any reason in its sole discretion. Further, Client assets managed by a Strategist and/or TPIM may be required to maintain certain minimum investment amounts.

Prior to engaging the Firm to provide any of the investment advisory services described in this Brochure, the Client will be required to enter into one or more written Agreements with the Firm setting forth the terms and conditions under which the Firm shall render its services.

There are times when certain restrictions are placed by Clients which prevent Sovran from accepting or continuing to manage the Account. Sovran reserves the right to not accept and/or terminate management of a Client's Account if it feels that the Client imposed restrictions which would limit or prevent it from meeting and/or maintaining its overall investment strategy.

ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Our Advisors may use various methods to determine an appropriate investment strategy for your portfolio. During your initial and subsequent meetings with your Advisor, they will discuss the methods they used. The analysis performed may include the following:

Technical Analysis

This type of analysis utilizes statistics to determine trends in security prices. Technical analysis tends to focus on factors such as trading volume, demand, and security price fluctuations. This type of analysis is also commonly referred to as chart analysis due to the fact that this analysis tends to review various historical charts and graphs.

Fundamental Analysis

This type of analysis concentrates on earnings, a company's financial statements, and the quality of a company's management. These quantitative factors are then used to attempt to determine the financial strength of a company.

Asset Allocation

Asset allocation investment strategies attempt to optimize the risk and reward of your portfolio by investing among several asset classes.

Timing Service

While not a standard analysis method, some Advisors or strategists may offer advisory services that attempt to time security performance. This essentially means they try to purchase or sell immediately preceding an increase or decrease in the security's price. This type of investing can substantially increase the amount of your brokerage transaction costs due to the frequency that transactions are occurring. Also, many mutual funds specifically prohibit excessive buying and selling within their fund in a short period of time. We monitor our accounts for excessive trading activity to ensure that you are aware and comfortable with the level of trading as well as to ensure that the investments are appropriate for you.

Most of the advisory services we provide involve the purchase or sale of securities. All investing involves some level of risk. In many cases, the risks include the potential to lose your entire principal value. All securities sold have disclosure documents that discuss these risks. This disclosure document is commonly referred to as a prospectus but may be called something else depending on the type of security you have purchased. In any case, it is extremely important that you read these documents in their entirety. If you have any additional questions regarding your investments, please speak with your Advisor immediately.

Tax Considerations

Our strategies and investments may have unique and significant tax implications. We do not provide tax or legal advice. You should consult with your tax and or legal professional regarding tax or legal concerns.

Risk of Loss

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

Other Risk Considerations

Management Risk

Our Investment Management Services Platform involves developing and implementing an investment strategy for you, which inherently involves making decisions about the future behavior of, among other things, the securities markets as a whole and the market for individual securities. Because there is no available methodology for accurately predicting future events over time, there can be no guarantee of success in developing a profitable investment strategy for you or in implementing the strategy developed.

Market Risk

This is the risk that the value of securities owned by an investor may go up or down, sometimes rapidly or unpredictably, due to factors affecting securities markets generally or particular industries.

Cybersecurity Risk

The Firm relies on the use and operation of different computer hardware, software, and online systems and to varying degrees by investment program. The following risks are inherent to all such programs and are enhanced for online systems: unauthorized access to or corruption, deletion, theft, or misuse of confidential data relating to the Firm and its clients; and compromises or failures of systems, networks, devices or applications used by the Firm or its vendors to support the Firm's operations.

Vendor Risk

The Firm relies on third-party vendors to support certain functions. By relying on a vendor, the Firm reduces its level of control over services rendered. If a vendor fails to perform its obligations in a timely manner or at satisfactory quality levels, the Firm will be unable to provide investment advice in a manner consistent with its disclosures to clients.

Equity Securities

In general, prices of equity securities are more volatile than those of fixed income securities. The prices of equity securities will rise and fall in response to a number of different factors, including events that affect particular issuers as well as events that affect entire financial markets or industries.

Interest Rate Risk

This is the risk that fixed income securities will decline in value because of an increase in interest rates; a bond or a fixed income fund with a longer duration will be more sensitive to changes in interest rates than a bond or bond fund with a shorter duration.

Credit Risk

This is the risk that an investor could lose money if the issuer or guarantor of a fixed income security is unable or unwilling to meet its financial obligations.

Concentrated Investment Strategies

Certain investment strategies may be concentrated in a specific sector or industry. If you invest in a portfolio or strategy that is made up of a concentrated position, sector or industry, your portfolio will be more likely to sharply increase or decrease in value with changes in the

markets. Concentrated strategies are more volatile because the risk associated with each company represents a large percentage of your overall portfolio value.

Options

Certain types of option trading are permitted in order to generate income or hedge a security held in the program account; namely, the selling (writing) of covered call options or the purchasing of put options on a security held in the program account. Client should be aware that the use of options involves additional risks. The risks of covered call writing include the potential for the market to rise sharply. In such a case, the security may be called away and the program account will no longer hold the security. The risk of buying long puts is limited to the loss of the premium paid for the purchase of the put if the option is not exercised or otherwise sold by the program account.

Exchange-Traded Funds (ETFs)

ETFs are typically investment companies that are legally classified as open-end mutual funds or UITs. However, they differ from traditional mutual funds, in particular, in that ETF shares are listed on a securities exchange. Shares can be bought and sold throughout the trading day like shares of other publicly traded companies. ETF shares may trade at a discount or premium to their net asset value. This difference between the bid price and the ask price is often referred to as the "spread." The spread varies over time based on the ETF's trading volume and market liquidity and is generally lower if the ETF has a lot of trading volume and market liquidity and higher if the ETF has little trading volume and market liquidity. Although many ETFs are registered as an investment company under the Investment Company Act of 1940 like traditional mutual funds, some ETFs, in particular those that invest in commodities, are not registered as an investment company. ETFs may be closed and liquidated at the discretion of the issuing company.

Active ETFs

Active exchange traded funds (ETFs) are different than traditional passive index ETFs in that there is a portfolio manager who actively makes buy/sell decisions on the underlying holdings. Certain active ETF sponsors also offer actively managed mutual funds with the same or substantially similar investment objective, strategies, and holdings. In most such cases, however, the fees tend to be less in these ETFs compared to their corresponding mutual fund. When there is a cost variance of up to 15 bps between an active ETF and the corresponding mutual fund, the firm is able to approve both versions of the product. When there is a cost variance of more than 15 bps between an active ETF and the corresponding mutual fund, the firm will only approve the less expensive version of the product.

Also, in addition to our mutual fund strategic partnership relationships as discussed above, approved active ETF sponsors pay us an ETF Servicing Fee. This Servicing Fee presents a financial incentive for the firm and as a result, a conflict of interest. This conflict of interest is mitigated by way of the investment decisions and recommendations being made by the IAR as these ETF Servicing Fees are not shared with the IAR, so the IAR has no financial benefit to select an ETF sponsor that pays us an ETF Servicing Fee.

Emerging Market ETFs / Mutual Funds

Sovran will at times utilize ETFs and/or mutual funds that invest in foreign and emerging markets. Emerging markets describe investing in developing countries. Emerging markets may undergo faster economic growth or decline than in developed countries. Depending on the stage of development emerging market securities can experience large periods of volatility due to economic, environmental, exports/import, and government changes. The governments in emerging markets can have unstable political scenes that can dramatically alter or impact asset prices during times of unrest or uncertainty.

Derivatives Risk

Derivatives are types of investments where the investor does not own the underlying asset. There are many different types of derivative instruments, including, but not limited to, options, swaps, futures, and forward contracts. Derivatives have numerous uses as well as various risks associated with them, but they are generally considered an alternative way to participate in the market. Investors typically use derivatives for three reasons: to hedge a position, to increase leverage, or to speculate on an asset's movement. Some ETFs use derivatives, such as swaps, options, and futures, among others. Derivative instruments may be illiquid, difficult to value and leveraged so that small changes can produce disproportionate losses to a client. Over-the-counter derivatives, such as swaps, are also subject to counterparty risk, which is the risk that the other party in the transaction will not fulfill its contractual obligation. Losses from investments in derivatives can result from a lack of correlation between the value of those derivatives and the value of the underlying asset or index. In addition, there is a risk that the performance of the derivatives or other instruments used by ETFs to replicate the performance of a particular asset or asset class may not accurately track the performance of that asset or asset class. • **Leverage Risk** – Leverage (borrowing) may be used in investment and trading, generally through purchasing inherently leveraged instruments, such as certain ETFs. The prices of leveraged instruments can be highly volatile, and investments in leveraged instruments may, under certain circumstances, result in losses that exceed the amounts invested. Borrowing magnifies the potential for losses and exposes the client to interest expense on money borrowed. Leveraged ETFs and derivatives will amplify losses because they are designed to produce returns that are a multiple of the equity index to which they are linked

Leveraged and Inverse ETF Risk

A leveraged ETF generally seeks to deliver multiples of the daily performance of the index or benchmark that it tracks.¹ An inverse ETF generally seeks to deliver the opposite of the daily performance of the index or benchmark that it tracks. Inverse ETFs often are marketed as a way for investors to profit from, or at least hedge their exposure to, downward-moving markets. Some ETFs are both inverse and leveraged, meaning that they seek a return that is a multiple of the inverse performance of the underlying index. To accomplish their objectives, leveraged and inverse ETFs use a range of investment strategies, including swaps, futures contracts and other derivative instruments. Leveraged, inverse, and leveraged inverse ETFs are more volatile and riskier than traditional ETFs due to their exposure to leverage and derivatives, particularly total return swaps and futures. At times, the Firm will recommend leveraged and/or inversed ETFs, which may amplify gains and losses.

Risks Associated with Holding Leveraged and/or Inverse ETFs for an Extended Period of Time

Most leveraged ETFs are typically designed to achieve their desired exposure on a daily (in a few cases, monthly) basis, and reset their leverage daily. A "single day" is measured from the time the leveraged ETF calculates its net asset value ("NAV") to the time of the leveraged ETF's next NAV calculation. The return of the L-ETF for periods longer than a single day will be the result of each day's returns compounded over the period. Due to the effect of this mathematical compounding, their performance over longer periods of time can differ significantly from the performance (or inverse performance) of their underlying index or benchmark during the same period of time. For periods longer than a single day, the leveraged ETF will lose money when the level of the Index is flat, and it is possible that the leveraged ETF will lose money even if the level of the Index rises. Longer holding periods, higher index volatility and greater leverage all exacerbate the impact of compounding on an investor's returns. During periods of higher Index volatility, the volatility of the Index may affect the leveraged ETF's return as much as or more than the return of the Index itself. Therefore, holding leveraged, inverse, and leveraged inverse ETFs for longer periods of time increases their risk due to the effects of compounding and the inherent difficulty in market timing. Leveraged ETFs are riskier than similarly benchmarked ETFs that do not use leverage. Non-traditional ETFs are volatile and not suitable for all investors. Positions in nontraditional ETFs should be monitored closely due to their volatile nature and inability to track the underlying index over an extended period of time.

Money Market Funds

A money market mutual fund, unlike a bank deposit, is not insured or guaranteed by the FDIC or any other governmental agency, and it is possible to lose money in a money market mutual fund. Money market mutual funds are covered by SIPC, which protects against custodial risk (not a decline in market value) when a brokerage firm fails by replacing missing securities and cash up to a limit of \$500,000, of which \$250,000 may be cash.

A money market mutual fund generally seeks to achieve a competitive rate of return (less fees and expense) consistent with the fund's investment objective(s), as described in its prospectus. As discussed in Item 14, returns in the money market funds offered as the cash sweep vehicle vary over time and are generally higher than the returns paid on other sweep programs (including the FDIC-Insured Programs defined in Item 14) or could be higher than other money market mutual funds not offered as the cash sweep vehicle. The Firm generally earns more by designating an FDIC-Insured Program as the cash sweep program for your account. Accordingly, the Firm has a conflict in selecting the applicable cash sweep program which is discussed further in Item 14.

Structured Products

Structured products are securities derived from another asset, such as a security or a basket of securities, an index, a commodity, a debt issuance, or a foreign currency. Structured products frequently limit the upside participation in the reference asset. Structured products are senior unsecured debt of the issuing bank and subject to the credit risk associated with that issuer. This credit risk exists whether or not the investment held in the account offers principal protection. The creditworthiness of the issuer does not affect or enhance the likely performance of the investment other than the ability of the issuer to meet its obligations. Any payments due at maturity are dependent on the issuer's ability to pay. In addition, the trading price of the security in the secondary market, if there is one, may be adversely impacted if the issuer's credit rating is downgraded. Some structured products offer full protection of the principal invested, others offer only partial or no protection. Investors may be sacrificing a higher yield to obtain the principal guarantee. In addition, the principal guarantee relates to nominal principal and does not offer inflation protection. An investor in a structured product never has a claim on the underlying investment, whether a security, zero coupon bond, or option. There may be little or no secondary market for the securities and information regarding independent market pricing for the securities may be limited. This is true even if the product has a ticker symbol or has been approved for listing on an exchange. Tax treatment of structured products may be different from other investments held in the account (e.g., income may be taxed as ordinary income even though payment is not received until maturity). Structured CDs that are insured by the FDIC are subject to applicable FDIC limits.

Alternative Investments

Alternative Investments are subject to various risks such as limitations on liquidity, pricing mechanisms, and specific risk factors associated with the particular product, which for products associated with real estate, would include, but not be limited to, and property devaluation based on adverse economic and real estate market conditions. Alternative Investments may not be suitable for all investors. A prospectus

¹ For example: A 2X fund will have a multiplier of two times (2x) the Index. A single day movement in the Index approaching 50% at any point in the day could result in the total loss of a shareholder's investment if that movement is contrary to the investment objective of the leveraged ETF, even if the Index subsequently moves in an opposite direction, eliminating all or a portion of the earlier movement. This would be the case with any such single day movements in the Index, even if the Index maintains a level greater than zero at all times.

that discloses all risks, fees and expenses, and risk factors associated with a particular Alternative Investment may be obtained from your Advisor. Read the applicable prospectus(es) or offering document(s) carefully before investing.

Investors considering an investment strategy utilizing Alternative Investments should understand that Alternative Investments are generally considered speculative in nature and involve a high degree of risk, particularly if concentrating investments in one or few alternative investments or within a particular industry. The risks associated with Alternative Investments are potentially greater and substantially different than those associated with traditional equity or fixed income investments.

ITEM 9 – DISCIPLINARY INFORMATION

Registered investment advisers such as Sovran are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's or prospective client's evaluation of Sovran or the integrity of its management. Examples of such events would include, but are not limited to, instances where Sovran, or a management person of Sovran: (i) was convicted of, or pled guilty or nolo contendere ("no contest") to a crime of moral turpitude; (ii) is the subject of an administrative proceeding before the SEC, any other federal or state regulatory agency; or (iv) any other legal or disciplinary event that is material to a client's or prospective client's evaluation of Sovran's business or the integrity of its management. Neither Sovran, nor its management persons, have any such legal or disciplinary events and therefore has nothing to disclose with respect to this Item.

ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Affiliated Entities

Outside of his activities at Sovran, Mr. Martinson – the Firm's President and CFO, is an owner and control person, and investment adviser representative of Spectrum Planning & Advisory Services Inc., d/b/a Bamboo Wealth Strategies ("BWS") - an advisory firm registered with the Securities and Exchange Commission. Should clients of Sovran choose to engage BWS for advisory services, Mr. Martinson will share in profits received by BWS due to his having an ownership interest in that company. In order to mitigate this conflict, it is disclosed to clients through Sovran's Disclosure Brochure and this Brochure Supplements. Further, neither Sovran nor BWS pay any referral fees or other direct compensation for the referral or receipt of clients.

Additionally, Mr. Martinson owns and operates Spectrum Consulting Group ("SCG"), a bookkeeping, payroll processing, and other business-related services affiliated with Sovran due to common ownership. At times, representatives of Sovran will recommend clients utilize the services of SCG for their business-related needs. Should clients of Sovran choose to engage SCG, Sovran representatives who are also employed by SCG will receive normal compensation for their respective role with SCG. Additionally, as Sovran and SCG have common ownership, profits received by SCG will be shared by owners of Sovran. In order to mitigate these conflicts, they are disclosed to clients through this Brochure and relevant Brochure Supplements. Further, clients are made aware – typically through the delivery of this Brochure, that they always have the right to decide whether or not to implement any recommended transactions by the Firm are under no obligation to utilize SCG for their accounting or other business-related needs and are free to select any firm of their choosing.

Mr. Martinson and Mr. Justin are owners of Sovran Insurance Services, Inc., d/b/a Sovran Financial and Insurance Services ("Sovran Insurance"), an affiliated life, health, disability, and other fixed insurance company. Certain Advisors also serve as licensed insurance agents of Sovran Insurance. Advisors may also be licensed insurance agents appointed with various insurance companies. There are times when Mr. Martinson and Mr. Justin and other Advisors of Sovran recommend the purchase of certain insurance products to Sovran clients. Upon purchase of such products, the respective Advisor, in his or her capacity as an insurance agent, will receive normal and customary commission. Additionally, should the insurance product be purchased through Sovran Insurance, Mr. Martinson and Mr. Justin will receive profits and other related compensation in their role as owners. A conflict of interest exists because Mr. Martinson, Mr. Justin, and other Advisors acting as insurance agents have an incentive to make recommendations based on the compensation received rather than on the Client's needs. To mitigate this conflict, it is disclosed to clients through this Brochure and relevant Brochure Supplements. Clients always have the right to decide whether to implement any recommended transactions by the Firm. Should the client choose to do so, the client always has the right to choose the professional in which to do so. Sovran clients should understand that lower fees and/or commissions for comparable services may be available from other sources.

Mr. Martinson is a part owner of Bamboo Insurance Services, Inc. ("Bamboo Insurance"), an affiliated life, health, disability, and other fixed insurance company. Certain Advisors also serve as licensed insurance agents of Bamboo Insurance. Advisors may also be licensed insurance agents appointed with various insurance companies. There are times when Mr. Martinson and other Advisors of Sovran recommend the purchase of certain insurance products to Sovran clients. Upon purchase of such products, the respective Advisor, in his or her capacity as an insurance agent, will receive normal and customary commission. Additionally, should the insurance product be purchased through Bamboo Insurance, Mr. Martinson will receive profits and other related compensation in his role as an owner. A conflict of interest exists because Mr. Martinson and other Advisors acting as insurance agents have an incentive to make recommendations based on the compensation received rather than on the Client's needs. To mitigate this conflict, it is disclosed to clients through this Brochure and relevant Brochure Supplements. Clients always have the right to decide whether to implement any recommended transactions by the Firm. Should the client choose to do so, the client always has the right to choose the professional in which to do so. Sovran clients should understand that lower fees and/or commissions for comparable services may be available from other sources.

Additionally, Mr. Justin owns and operates Greater Pacific Insurance Services d/b/a Greater Pacific Solutions, Financial and Insurance Services (GPS), an affiliated life, health, disability, and other fixed insurance company. Certain Advisors also serve as licensed insurance

agents of GPS. Advisors may also be licensed insurance agents appointed with various insurance companies. There are times when Mr. Justin and other Advisors of Sovran recommend the purchase of certain insurance products to Sovran clients. Upon purchase of such products, the respective Advisor, in his or her capacity as an insurance agent, will receive normal and customary commission. Additionally, should the insurance product be purchased through GPS, Mr. Justin will receive profits and other related compensation in his role as an owner. A conflict of interest exists because Mr. Justin and other Advisors acting as insurance agents have an incentive to make recommendations based on the compensation received rather than on the Client's needs. To mitigate this conflict, it is disclosed to clients through this Brochure and relevant Brochure Supplements. Clients always have the right to decide whether to implement any recommended transactions by the Firm. Should the client choose to do so, the client always has the right to choose the professional in which to do so. Sovran clients should understand that lower fees and/or commissions for comparable services may be available from other sources.

Broker-Dealer Affiliation

Most of our Advisors are also registered representatives of Cetera Advisor Networks LLC. In their capacity as registered representatives and/or licensed insurance agents, they will offer securities and receive commissions as a result of such transactions, which presents a conflict of interest because the Advisor has a financial interest in making commissions rather than focusing on the interests of the Client. To mitigate this conflict of interest, we routinely review our client accounts to ensure that the recommended services and products are consistent with your stated goals and objectives. Furthermore, as part of our fiduciary duty to clients, the Firm and our representative's endeavor at all times to act in the Client's best interest, and recommendations will only be made to the extent that they are reasonably believed to be in the best interests of the client. Additionally, the conflicts presented by these practices are disclosed to clients through the Firm's Brochure, Brochure Supplements, the client Agreement and/or verbally prior to or at the time of entering into an agreement with Sovran. Clients always have the right to decide whether to implement any recommended transactions. Should the Client choose to do so, the Client always has the right to choose the professional in which to do so. Sovran Clients should understand that lower fees and/or commissions for comparable services may be available from other sources.

Other Affiliations

Our Advisors may operate their own independent companies outside of Sovran Advisors. These unaffiliated companies include accounting/tax practices, insurance services, and legal and compliance services, among others.

Further, Mr. Justin, and other Advisors of Sovran, are also investment adviser representatives with Cetera Investment Advisers LLC, an SEC-registered investment adviser. This creates a conflict of interest in that such Advisors have the ability to choose whether to engage clients under Sovran or Cetera Investment Advisers LLC, which may result in the Advisor receiving more favorable fees. In order to mitigate this conflict, it is disclosed to clients through Sovran's Disclosure Brochure and the respective Advisor's Brochure Supplement. Further, neither Sovran nor Cetera Investment Advisers LLC pays any referral fees or other direct compensation for the referral or receipt of clients.

Neither Sovran, nor any of its management persons, are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity pool trading advisor or an associated person of the foregoing entities.

Rollovers

When leaving an employer, Clients typically have four options regarding their existing retirement plan: (1) leave the assets in the former employer's plan, if permitted, (2) roll over the assets to the new employer's plan, if one is available and rollovers are permitted, (3) roll over the assets to an Individual Retirement Account ("IRA"), or (4) take a full withdrawal in cash, which would result in ordinary income tax and a penalty tax if the person is under age 59 1/2. At times, as part of its services, the Firm recommends that Clients roll over their 401(k) or other qualified plan assets to an IRA. This rollover recommendation presents a conflict of interest in that the Firm would receive compensation (or may increase current compensation) when investment advice is provided following the Client's decision to roll over plan assets. Clients who have assets in retirement accounts elsewhere would potentially pay a larger fee if rolled into an IRA or Roth IRA with Sovran as the adviser. Sovran will only recommend rollovers if it's in the best interest of the Client. Instances, where it may be in the best interest of the Client, are to simplify their account management (reduce the number of retirement accounts), have professional management of their account, gain access to additional investment options as compared to the current retirement plan, and/or pay lower administrative fees. Prior to making a decision, each Client should carefully review the information regarding rollover options and are under no obligation to rollover retirement plan assets to an account managed by Sovran.

ITEM 11 – CODE OF ETHICS

We are committed to providing brokerage services and investment advice with the utmost professionalism and integrity.

To help us avoid potential conflicts, we have developed a Code of Ethics designed to protect our professional reputation and comply with federal or other applicable securities laws. This Code of Ethics sets forth guidelines and restrictions for personal securities trading, including an absolute prohibition of trading on the basis of "inside" (i.e., material, non-public) information. Adherence to our code of ethics is a condition of employment or affiliation with the Firm. Our Code of Ethics is summarized as follows:

Personal Investing by Your Advisor

Your Advisor may purchase or sell the same security as you. This type of trading activity creates a conflict between your Advisor and you because your Advisor's transaction may receive a better price than your transaction. Our Code of Ethics places restrictions on your Advisor's personal trading activities. These restrictions include a prohibition on trading based on non-public information, pre-clearance requirements for certain personnel transactions with advance knowledge of model transactions and a requirement that any personal securities transactions do not disadvantage clients or otherwise raise fiduciary or antifraud issues.

Also, your Advisor may not purchase securities in an initial public offering or participate in a private placement without our written approval.

Personal Holdings and Transaction Reporting

We receive information about the security transactions purchased and/or sold by your Advisor in their personal accounts. We also receive information listing all securities that they currently own in their personal securities accounts. We also use monitoring systems to supervise trading in Advisor personal accounts that are held through an approved Custodian. Certain investments are not required to be reported to us by your Advisor, such as mutual funds holdings and securities issued by the Government of the United States.

You may request a copy of our Code of Ethics at any time by contacting your Advisor or by contacting our Firm on the telephone number on the cover of this brochure.

ITEM 12 – BROKERAGE PRACTICES

When the Firm places orders for the execution of portfolio transactions for Client accounts, transactions are allocated to the Client's broker-dealer for execution in various markets at prices and commission rates that, based upon good faith judgment, will be in the best interest of the Client. Clients should be aware that in most instances, the broker-dealer performing such transactions also serves as the client's custodian. For clients in the AssetMark Program, custodial fees are included in the portion of the Platform Fee. However, the custodian, or ATC, may charge Clients for additional services, such as for wiring of funds, providing additional account statements, or asset transfers, all in accordance with the CSA and/or the Client's agreement with ATC. The following discussion summarizes the material aspects of the Firm's practices for the selection of broker-dealers to execute Client transactions.

A. Recommendation of Custodian(s)

Sovran does not have discretionary authority to select the broker-dealer/custodian for custody and execution services. The Client will engage the broker-dealer/custodian (herein the "Custodian") to safeguard Client assets and authorize the Firm to direct trades to the Custodian as agreed upon in the investment advisory agreement. Further, the Firm does not have the discretionary authority to negotiate transaction costs on behalf of Clients on a trade-by-trade basis. Where the Firm does not exercise discretion over the selection of the Custodian, it may recommend the Custodian to Clients for custody and execution services. Clients are not obligated to use the Custodian recommended by the Advisor and will not incur any extra fees by the Advisor for using a custodian not recommended by Sovran. However, the Advisor may be limited in the services it can provide if the recommended Custodian is not engaged. The Firm may recommend the Custodian based on criteria such as, but not limited to, reasonableness of commissions charged to the Client, services made available to the Client, its reputation, and/or the location of the Custodian's offices. Sovran will generally recommend that Clients establish accounts with Cetera Investment Services LLC, who will serve as a "qualified custodian" for Client Accounts in APM and UMA programs.

The Advisor maintains an institutional relationship with Cetera Investment Services LLC and AssetMark, Inc., whereby the Advisor receives certain direct and indirect benefits. In the future we may engage additional custodians to serve in this role. Please see Item 14 below for conflicts of interest associated with Sovran and its Advisors recommend Cetera Investment Services LLC as the Custodian for Client Accounts.

B. Agency Cross or Principal Trades

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 controlling, 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. Principal transactions arise when the Firm acts as an investment adviser and broker in a transaction between an advisory client on one side of a transaction and the Firm (including accounts of Firm representatives) on the other side of the transaction. This includes buying securities from or selling any security to an advisory client from the Firm's own account. The Firm does not permit agency cross or principal trades.

C. Trade Aggregation and Allocation (Block Trading)

Block Trading refers to the aggregation of multiple orders from different Clients, for the same securities for submission as a single order for execution. When the purchase or sale of a particular security is appropriate for more than one Client account, trades for advisory Clients may be aggregated. This is done principally to ensure that Clients are treated fairly, and that one Client is not advantaged at the expense of another Client. Trades with advisory Clients may be aggregated with those of other Clients of your Advisor, the personal trades of supervised persons, and trades in proprietary accounts.

Aggregate orders may be filled through multiple executions at different prices during the course of a trading day. If your order is aggregated with other orders, you will receive an average price. Aggregate orders will not reduce applicable transaction costs.

When an aggregated order is not fully filled (i.e., when an aggregated order is only partially filled), the Firm's trading system will allocate to each Account participating in the order the pro-rata amount of shares to each Account in accordance with the Account's proportion of the overall order. The Advisor may aggregate all, none, or some of his or her Client trades based on, among other things, a Client's investment guidelines and restrictions (including those on the use of discretion by the Advisor), the type of securities and the size of the order. It is the Firm's policy that the order allocation between participating Clients may not be changed after the order has been executed.

The Firm's policies do not require an Advisor to block trade Client orders. When an Advisor chooses not to aggregate Client orders for the same security a conflict of interest exists. In such instances, the Advisor must decide which Client order to place first which may result in one Client receiving a better execution price over another Client and could lead to certain Client Accounts receiving more favorable order executions over time.

D. Trading Errors

Occasionally, a trading error may occur where either we, or our Advisors, are at fault. If this occurs in your Account, the error will be corrected, and your account will be restored to where it would have been had the error never occurred. However, in the process of restoring your account, we may realize a profit or suffer a loss in connection with correcting this error. Neither losses nor gains realized by us will be passed on to you.

E. Best Execution

The Firm is obligated to ensure orders are being sent to the markets in an efficient manner and to execute any transactions in the manner it believes is in the Client's best interest. The Firm's primary consideration with regard to purchases and sales for its Clients is obtaining the most favorable execution of the transactions needed to implement Client's investment strategy. The determinative factor is whether the transaction represents the best qualitative execution for the Client Account and not whether the lowest possible price is obtained. The Firm reviews reports that help analyze the quality of the executions of the orders that are sent to the market. As discussed further in Item 14, both Sovran and its Advisors have a financial incentive to recommend Cetera Investment Services LLC for custodial and brokerage services. This conflict of interest impacts the Firm's ability to objectively perform its Best Execution analysis. To mitigate this conflict, it is disclosed to Clients as part of this Brochure, and Clients are under no obligation to utilize Cetera Investment Services LLC for custodial and/or brokerage services.

F. Directed Brokerage

Under certain circumstances, Sovran allows a Client to direct the Firm to execute all or a portion of Client transactions through a specific broker ("Directed Brokerage"). If that is the case, the client should understand that: (1) Sovran generally does not negotiate specific brokerage commission rates with the broker on Client's behalf, or seek better execution services or prices from other broker/dealers and, as a result, the Client could end up paying higher commissions and/or receive less favorable net prices on transactions for their account than might otherwise be the case; and (2) transactions for that account generally will be effected independently unless Sovran is able to purchase or sell the same security for several Clients at approximately the same time ("block trade"), in which case the Firm will include such Client's transaction with that of other Clients for execution by the same broker. If transactions are not able to be traded as a block, the Firm will have to enter the transactions for the Client's account after orders for other Clients, with the result that market movements could work against the Client. Therefore, prior to directing the Firm to use a specific broker-dealer, a Client should consider whether, under that restriction, execution, clearance and settlement capabilities, commission expenses and whatever amount is allocated to custodian fees, if applicable, would be comparable to those otherwise obtainable. Clients should understand that he/she might not obtain commissions rates as low as it might otherwise obtain if Sovran had discretion to select or recommend other broker-dealers. Consequently, Directed Brokerage could result in the client paying more money for brokerage services.

Subject to its objective to achieve best execution, Sovran reserves the right to decline a Client's request to engage in Directed Brokerage if, in Firm's sole discretion, such Directed Brokerage arrangements would result in additional operational difficulties or violate restrictions imposed by other broker dealers.

G. Soft Dollar Benefits

Sovran does not have formal soft dollar agreements in place. Sovran's general policy is to comply with the provisions of Section 28(e) of the Securities Exchange Act of 1934 ("Section 28(e)") when entering into soft dollar arrangements. Section 28(e) recognizes the potential conflict of interest involved in this activity, but generally allows investment advisers to use client commissions to pay for certain research and brokerage products and services under certain circumstances without breaching their fiduciary duties to clients. For these purposes, "research" means services or products used to provide lawful and appropriate assistance to Sovran in making investment decisions for its Clients. "Brokerage" services and products are those used to effect securities transactions for Sovran's clients or to assist in effecting those transactions. Research and other products and services purchased with soft dollars will generally be used to service all of Sovran's clients, but brokerage commissions paid by one client may be used to pay for research that is not used in managing that client's portfolio, as permitted by Section 28(e). In other words, there may be certain client accounts that benefit from the research services, which did not make the payment of commissions to the broker-dealer providing the services.

ITEM 13 – REVIEW OF ACCOUNTS

We review Client accounts in several ways. Sovran's account reviews include:

Periodic Reviews

- Annual Client Contact – On at least an annual basis, your Advisor will contact you to arrange a review of your advisory accounts with you. In general, this review includes any Firm-Sponsored programs and certain third-party investment manager programs.
- Account Supervision – The Firm’s Chief Compliance Officer or their Designee periodically reviews client accounts of any Advisor who he or she supervises. If this review raises any issues associated with your account, they will investigate the issue to determine if any further action is needed or warranted.
- Surveillance Oversight – The Firm’s Chief Compliance Officer or their Designee utilizes a series of surveillance, exception, trade, and other transaction reports that are designed to help facilitate the ongoing review of the Firm’s managed accounts.

Other Reviews and Triggering Events

In addition to the periodic reviews described above, reviews can be triggered by changes to a Client’s personal, tax, or financial status. Account holdings are also reviewed when changing market conditions warrant such review. Clients are encouraged to notify the Firm and its Advisor representatives of any changes in their personal financial situation that might affect their investment needs, objectives, or time horizon.

Regular Reports

Written account statements are generated no less than quarterly and are sent directly from the account Custodian. These statements list the account positions, activity in the account over the covered period, and other related information, including any fees deducted from the account. Clients are also sent confirmations following each brokerage account transaction unless confirmations have been waived. Clients are urged to carefully review all account statements.

Clients typically receive other supporting reports from mutual funds, trust companies, broker-dealers, or insurance companies based on their involvement with the account and their applicable internal reporting requirements. The Firm does not independently send reports to Clients.

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

Certain Advisors are also registered representatives of Cetera Advisor Networks LLC and will typically receive forgivable loans from Cetera Advisor Networks LLC which are conditioned on the Advisor retaining Cetera Investment Services LLC as the Custodian for Client Assets. This additional economic benefit creates a conflict of interest in that Advisors are incentivized to retain their affiliation with Cetera Advisor Networks LLC in order to avoid re-payment on a loan.

Additionally, the Firm receives compensation from Cetera Advisor Networks LLC in the form of a promissory loan and bonus payout agreement, for maintaining Client assets with, and having Cetera Investment Services LLC serving as Custodian. This creates conflict of interests in that Sovran has a financial incentive to recommend Cetera Investment Services LLC for custodial services initially and continue utilizing Cetera Investment Services LLC until the promissory loan/bonus agreements are terminated, as opposed to using other custodians where the Firm does not receive any additional compensation.

As discussed under Item 12, Sovran receives “soft dollar” benefits whereby brokerage transactions are directed to certain broker-dealers in return for investment research products and/or services which assist Sovran in its investment decision-making process. The receipt of such services is deemed to be the receipt of an economic benefit by Sovran, and although customary, these arrangements give rise to conflicts of interest, including the incentive to allocate securities transactional business to broker-dealers based on the receipt of such benefits rather than on a Client’s interest in receiving most favorable execution.

Additionally, as mentioned above, certain Sovran representatives have outside business activities that provide additional compensation. There also exists affiliated companies of Sovran (due to common ownership), whereby owners of Sovran share in profits of such affiliated companies that can be utilized by Sovran clients. Please refer to Items 5 and 10 above, and/or the respective representative’s Form ADV Part 2B, for detailed information regarding these business activities, the compensation received, the related conflicts, and how Sovran mitigates such conflicts.

Incoming Referrals

The Firm has retained promoters and will pay solicitation fees for Clients who are referred to the Firm. All such agreements are in writing and comply with the applicable state and federal regulations. When a referred client is introduced to the Firm by a promoter, the Firm will pay that promoter a fee in accordance with the terms of a contract by and between Sovran and the respective promoter. While the specific terms of each agreement may differ, generally, the compensation will be based upon a varying percentage of the advisory fees paid to the Firm by such referred clients. Any such fee shall be paid solely from the Firm’s advisory fee(s) and will not result in any additional charges to the Client. The Firm only conducts business with registered promoters or promoters that are not required to be registered because they are exempt from registration requirements.

Referring Clients to Third Parties

From time to time, the Firm will refer a client to unaffiliated, third-party advisors ("TPA"). Should the client engage such advisors, Sovran will be compensated for its services by receipt of a fee to be paid directly by the third-party adviser to Sovran. Such fee is generally a portion of the investment management fee charged by the designated adviser, which is typically based upon a percentage of the market value of the assets being managed by the designated adviser. Any such fee shall be paid solely from the adviser's investment management fee and shall not result in any additional charge to the client. Prior to making an investment with a TPA, each client will be furnished with a disclosure brochure for that TPA. Because Sovran and/or its advisory representatives receive compensation from these TPAs for referring clients and because such compensation differs depending on the individual agreement with each TPA, a conflict of interest exists in that Sovran and/or its Advisors have an incentive to recommend certain TPAs over others with less favorable compensation arrangements. As part of our fiduciary duty to Clients, the Firm and our Advisors endeavor at all times to put the interests of the Clients first, and recommendations will only be made to the extent that they are reasonably believed to be in the best interests of the Client. To further mitigate this conflict, the Firm discloses its existence to Clients at the time of solicitation, mainly through the delivery of this Brochure and the solicitation disclosure document. Client should be aware however that Sovran will not provide ongoing reviews of the TPAs selected by the Client. The fees charged by TPAs will vary.

ITEM 15 – CUSTODY

Pursuant to the Investment Advisers Act of 1940, the Firm is deemed to have "constructive custody" of client funds because we have the authority and ability to debit our fees directly from the accounts of those clients receiving our services. Additionally, certain Clients have, and could in the future, sign a Standing Letter of Authorization ("SLOA") that gives Sovran the authority to transfer funds to a third-party as directed by the Client in the SLOA. This is also deemed to give the Firm custody. Custody is defined as any legal or actual ability by the firm to withdraw client funds or securities. Firms with deemed custody must take the following steps:

1. Ensure clients' managed assets are maintained by a qualified custodian;
2. Have a reasonable belief, after due inquiry, that the qualified custodian will deliver an account statement directly to the client at least quarterly;
3. Confirm that account statements from the custodian contain all transactions that took place in the client's account during the period covered and reflect the deduction of advisory fees; and fees; and
4. Obtain a surprise audit by an independent accountant on the clients' accounts for which the advisory firm is deemed to have custody.

However, the rules governing the direct debit of Client fees and SLOAs exempt Sovran from the surprise audit rules if certain conditions (in addition to steps 1 through 3 above) are met. Those conditions are as follows:

1. When debiting fees from client accounts, Sovran must receive written authorization from clients permitting advisory fees to be deducted from the client's account.
2. In the case of SLOAs, Sovran must: (i) confirm that the name and address of the third party is included in the SLOA, (ii) document that the third-party receiving the transfer is not related to the Firm, and (iii) ensure that certain requirements are being performed by the Custodian.

The Custodian that is selected by a Client maintains actual physical custody of Client assets. Client account statements from Custodians will be sent directly to each Client to the email or postal mailing address that is provided to the Custodian selected by the Client. Clients are encouraged to compare information provided in reports or statements received by Sovran with the account statements received from their Custodian for accuracy. In addition, Clients should understand that it is their responsibility, not the Custodian's, to ensure that the fee calculation is correct.

If Client funds or securities are inadvertently received by the Firm, they will be returned to the sender immediately, or as soon as practical. Sovran encourages our clients to raise any questions with us about the custody, safety or security of their assets. The Custodians we do business with will send you independent account statements listing your account balance(s), transaction history and any fee debits or other fees taken out of your account.

ITEM 16 – INVESTMENT DISCRETION

As discussed in more detail in Item 4 of this Brochure, the Client may authorize Sovran, their Advisor, and/or one or more TPMs to have investment discretion over the Client's account(s). This is typically provided by the Client when executing the Firm's Client Agreement whereby the Client authorizes Sovran to exercise this full discretionary authority with respect to all investment transactions involving the Client's investment management account(s). Pursuant to such Agreement, Sovran is designated as having limited power of attorney with discretionary authority to effect investment transactions in the Client's account(s) which authorizes Sovran to give instructions to third parties in furtherance of such authority.

Advisor must obtain written authorization from each Client prior to exercising such discretionary authority over the Client's respective account(s). The Client may place reasonable restrictions on the management of their account, whether it is discretionary or non-discretionary, including restrictions on the type of securities that can be purchased in the account.

Sovran's Advisors are prohibited from having the ability to withdraw funds and/or securities from Client accounts without the Client's express written permission.

ITEM 17 – VOTING CLIENT SECURITIES (I.E., PROXY VOTING)

Neither Sovran, nor its Advisors, have any authority to vote proxies on behalf of Clients. For the applicable Programs where the Client is solely responsible for receiving and voting proxies for the securities that maintained within the Client's account, the Client will receive proxies or other solicitations directly from the custodian and/or transfer agent. In the event a proxy solicitation is sent to Sovran on a Client's behalf, it is the Firm's practice to forward the solicitation to the Client's address of record immediately so that they may cast the proxy vote. While Sovran will at times answer Client questions related to proxies, please note that Sovran will not be deemed to have proxy voting authority solely as a result of providing information relating to a particular proxy to an inquiring Client.

In the investment advisory programs offered by the Firm, Client is responsible for receiving and voting proxies for the securities that are within the Client's account.

For TPMM Accounts – Depending on the TPMM's proxy voting policies and procedures, the TPMM may require that you appoint them as your agent and attorney-in-fact with discretion to vote proxies on your behalf. Please carefully review the TPMM's disclosure brochure to understand their proxy voting policies and procedures.

Class Action Lawsuits

Sovran does not determine if securities held by Clients are the subject of a class action lawsuit or whether Clients are eligible to participate in class action settlements or litigation nor does Sovran initiate or participate in litigation to recover damages on behalf of Clients for injuries as a result of actions, misconduct, or negligence by issuers of securities held by the Client.

ITEM 18 – FINANCIAL INFORMATION

Sovran does not take prepayment of more than \$1,200 in fees, six months or more in advance or have a financial condition that could impair the Firm's ability to meet its contractual obligations. Therefore, Sovran is not required to provide audited balance sheets.