

**Part 2A of Form ADV: Brochure**  
***Baystate Wealth and NewSquare Capital Co-Advisory Programs***

**MML Investors Services, LLC**

1295 State Street  
Springfield, MA 01111-0001

1-800-542-6767 Option 1,1

[www.mmlinvestors.com](http://www.mmlinvestors.com)

March 28, 2024

This brochure provides information about the qualifications and business practices of MML Investors Services. If you have any questions about the contents of this brochure, please contact us at 1-800-542-6767 Option 1,1. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

Additional information about MML Investors Services is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 10409.

MML Investors Services is a SEC registered investment adviser. Please note that registration does not imply a certain level of skill or training.

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## Item 2 Material Changes

Pursuant to SEC rules, this Item summarizes the specific material changes, if any, that have been made to this MML Investors Services, LLC (“MMLIS,” “the Firm,” “we,” “our,” or “us”) Form ADV disclosure brochure (“Firm Brochure”) since March 31, 2023.

When required or appropriate, we will also provide clients interim summary updates of material changes to our Firm Brochure.

Clients may ask for a copy of our current Firm Brochure, which includes all material changes since the previous Firm Brochure, or a summary of material changes to the previous Firm Brochure at any time, without charge by contacting 1-800-542-6767 Option 1, 1.

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The following is a summary of material changes to this Firm Brochure since the last annual update of the Firm Brochure on March 31, 2023.

March 28, 2024 Update: Baystate Wealth Management was acquired by Mariner, LLC, effective January 2, 2024. Items 4 and 14 were updated to include information about conflicts of interest regarding jointly affiliated individuals employed by Mariner, LLC who previously had an ownership interest in Baystate Wealth Management. In addition, Items 4 and 5 were updated to remove references to TD Ameritrade as a clearing firm and custodian for the NewSquare Program. Item 14 was revised to provide updated information about marketing support payments from NewSquare and other third-party advisers.

October 26, 2023 Update: Item 4 was updated to provide information about other advisory programs that MMLIS offers with different fee structures. Item 9 was updated to provide information regarding a Stipulation and Consent Order in Lieu of Cease and Desist Proceedings (“Order”) MMLIS entered into with the State of Michigan, effective September 26, 2023. The Order stated that the Firm failed to properly submit necessary investment adviser representative registration application materials for an individual investment adviser representative from 2010 to 2023.

June 12, 2023 Update: Item 9 was updated to provide information regarding a Letter of Acceptance, Waiver, & Consent (“AWC”) entered into by MMLIS and FINRA effective May 16, 2023. The AWC stated that the Firm failed to timely amend its associated persons’ Forms U4 and U5 to report disclosable events, and that the Firm failed to establish, maintain and enforce reasonable supervisory procedures, including written supervisory procedures, to timely and accurately report regulatory events on Forms U4 and U5.

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## **Item 4 Advisory Business**

MMLIS is a registered investment adviser and broker-dealer. MMLIS began conducting business in 1981 and has been registered as an investment adviser since 1993. MassMutual Holding LLC is the Firm's principal owner. Massachusetts Mutual Life Insurance Company ("MassMutual") is MassMutual Holding LLC's principal owner.

MMLIS, together with other affiliates (see Item 10 – Other Financial Industry Activities and Affiliations -- for additional information), provides a wide array of financial products and services to its clients. When appropriate, MMLIS's representatives may recommend the purchase of one or more such products or services to assist clients in pursuing their savings, insurance, investment or other financial objectives. Typically, the products or services recommended will consist of or include products or services sponsored, issued, sold, distributed, advised, or serviced by MMLIS or its affiliates.

In addition to the advisory services described in detail in this Firm Brochure, MMLIS also offers other advisory services. If you want more information about the other advisory services available through MMLIS, ask your MMLIS investment adviser representative ("IA-Rep").

### **Overview of the advisory services offered by MMLIS**

The Firm makes available to you a number of investment advisory programs and services. This Firm Brochure provides you with information about two advisory programs which are sponsored by third party investment advisers, Baystate Wealth Management, LLC ("Baystate Wealth") and NewSquareCapital, LLC ("NewSquare"). MMLIS is a co-advisor under these two Third Party Adviser programs ("Co-Adviser Programs"); Baystate Wealth and NewSquare are not affiliated with MMLIS. If you wish to learn about other investment advisory programs and services that the Firm offers, you may contact the Firm or your Firm's IA-Rep to receive a similar Form ADV disclosure brochure for those programs and services.

Some of these other investment advisory programs have different fee structures and/or lower maximum fees which can result in lower client fees. This creates an incentive for MMLIS and IA-Reps to recommend advisory programs with higher client fees and to recommend that you increase the amount you have invested in such programs. Advisory programs with lower client fees often offer a more limited selection of investment options and asset allocations and can also have different minimum investment requirements. In addition, MMLIS offers certain advisory programs with lower maximum fees and lower client fees that are available only to a limited group of investors who are associated with a specific organization, such as a labor union.

IA-Reps must meet licensing and training requirements, and in some cases, receive approval from their direct supervisors, before they can recommend certain advisory programs and services, and certain investment options within an advisory program. Clients should understand that there may be other programs, services, and investment options within an advisory program that may exist that could also be appropriate but that the IA-Rep is not permitted to offer. Please talk to your IA-Rep about what other advisory programs and services, or investment options within an advisory program they may offer.

IA-Reps can also conduct seminars on topics related to financial products and services. IA-Reps may charge a fee to attend seminars or offer them free of charge.

### **Overview of the Third Party Adviser Programs**

The Firm offers clients the ability to participate in various Third Party Adviser programs. All Third Party Adviser programs listed below are sponsored by unaffiliated third party investment advisers ("Third Party Advisers").

In determining the appropriateness of a Third Party Adviser Program, you should consider the differences between a brokerage and an advisory account. In addition, you should keep in mind the following attributes of the Third Party Adviser Program:

- You will be provided with ongoing investment advice and asset management services rather than you independently managing an account and using a broker to place trades;
- You will pay a fee for participating in an asset management program where assets are placed in an asset allocation model and monitored and/or trade regularly;
- Your account will invest in a diversified portfolio rather than a large holding in one security or a small number of securities; and/or
- You will be participating in a long-term investment program where short term investing and market timing is not a strategic goal.

For each Third Party Adviser Program you choose to apply for, in addition to this Firm Brochure, you will receive from your IA-Rep a Form ADV disclosure brochure for the Third Party Adviser (“Third Party Brochure”) along with any other disclosures and application forms required by the Third Party Adviser (collectively “Third Party Adviser Program Documents”). You should carefully read and understand the Third Party Brochure and the investment management agreement for your selected Third Party Adviser Program. These documents contain important information, including, the benefits, features, risks, costs, fees, and charges associated with the Third Party Adviser Program, and the various investment options available under the program.

You should be aware that any description or summary of any particular Third Party Adviser Program or Third Party Adviser in this Firm Brochure is provided to you for informational purposes only and is not intended to replace or summarize any information or disclosure in the Third Party Adviser Program Documents or the Third Party Brochure. You should only rely on the Third Party Adviser Program Documents along with any product prospectus, offering documents or other materials provided by the issuer of the Investment Option(s) when making investment decisions.

Unless otherwise noted, any defined term used in a Third Party Adviser Program description below applies only to that particular Third Party Adviser Program. Your participation in a Third Party Adviser Program is also subject to the Third Party Adviser’s discretion and approval.

#### **Baystate Wealth and NewSquare Capital Third Party Adviser Programs:**

- a. **Baystate Wealth Program.** MMLIS has entered into an agreement with Baystate Wealth Management, LLC (“Baystate Wealth”) to serve as co-advisers to clients in the “Baystate Wealth Program”. Baystate Wealth Management provides fee-based discretionary and non-discretionary investment supervisory services and portfolio management. Assets invested in the Baystate Wealth Program are held at a brokerage account established by the client at Fidelity Institutional Wealth Services (“Fidelity”). Baystate Wealth Management builds model portfolios within the Baystate Wealth Program using a combination of individual stocks and bonds, exchange traded funds (“ETFs”), exchange traded notes (“ETNs”), index funds, fixed income alternatives, mutual funds and alternative managers when appropriate. Their investment advice is customized to fit the risk profile, goals, objectives and other preferences of each individual Client, pursuant to a written Investment Policy Statement (“IPS”) developed with and executed by the Client. Please refer to Baystate Wealth’s Part 2A or Appendix I Wrap Fee Program of Form ADV, as applicable, for additional information regarding their program.

Baystate Wealth may recommend that the Client allocate a portion of a Client’s Account(s) among unaffiliated independent investment managers (“Independent Manager(s)”) in accordance with the Client’s designated investment objective(s). In such situations, the Independent Manager(s) will have day-to-day responsibility for the active discretionary management of the allocated assets. Baystate Wealth will continue to render investment supervisory services to the Client relative to the ongoing monitoring and review of Program Account performance, asset allocation, and Client investment objectives. Baystate Wealth generally considers the following factors when recommending Independent Manager(s): the Client’s designated investment objective(s),

management style, performance, reputation, financial strength, reporting, pricing, and research. The Client is under no obligation to engage the services of any Independent Manager. The Client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from Baystate Wealth. If the Client determines to engage an Independent Manager, the fees for the Independent Manager may be included pursuant to the Baystate Wrap Fee Program or charged separately on a fully disclosed basis.

#### *Conflict of Interest Regarding Jointly Affiliated Individuals*

Baystate Wealth was acquired by Mariner, LLC, effective January 2, 2024. Prior to the acquisition, David Porter was the Chairman of the Board and a Managing Member (owner) of Baystate Wealth. Currently, Mr. Porter is an employee of Mariner, LLC. Mr. Porter is also a Managing Member and a Principal of Baystate Financial Services (“Baystate Financial”), a financial services firm affiliated with MMLIS. MMLIS IA-Reps affiliated with Baystate Financial may recommend that clients invest in the Baystate Wealth program. In addition, other representatives affiliated with Baystate Financial are also employees or independent contractors of Mariner, LLC. These representatives are not permitted to refer any clients to Baystate Wealth and are not involved in investment management activities of Baystate Wealth.

#### *Conflict of Interest for MMLIS IA-Reps Regarding Baystate Wealth Incentive Program*

Baystate Wealth has an incentive plan for MMLIS IA-Reps (referred to as the Platform Fee Reduction Program) in which the Baystate Wealth Manager Fee will be reduced when assets in all Baystate Wealth accounts serviced by a MMLIS IA-Rep reach certain thresholds between \$15 million and \$75 million. If the MMLIS IA-Rep reaches a threshold, the Manager Fee paid to Baystate Wealth on Client’s Account will be reduced by 0.05% to 0.12%, and the IA-Rep Fee paid to the MMLIS IA-Rep will result in a corresponding increase ranging from 0.05% to 0.12%. The reduction in the Baystate Wealth Manager Fee is applied to all accounts serviced by such MMLIS IA-Rep upon reaching a threshold. The Total Client Fee paid for Client’s Baystate Wealth account does not increase as a result of this incentive plan.

This plan creates a conflict of interest and incentive for your MMLIS IA-Rep to recommend Baystate Wealth over other available advisory programs that may be less expensive and or result in lower compensation to your MMLIS IA-Rep. This also creates an incentive for a MMLIS IA-Rep to recommend Client open or maintain an account with Baystate Wealth in order to reduce the Manager Fee and earn additional compensation. MMLIS mitigates this conflict through disclosure and maintaining comparable IA-Rep fee ranges among the Baystate Wealth program and other MMLIS advisory programs.

- b. NewSquare Program.** MMLIS has entered into an agreement with NewSquare Capital, LLC (“NewSquare”) to serve as co-advisers to clients in the “NewSquare Program”. Assets invested in the NewSquare program are held in a brokerage account established by the client at either Schwab Advisor Services (“Schwab”) or at Fidelity Brokerage Services, LLC (“Fidelity”), which uses National Financial Services, LLC (“NFS”). Each of Schwab and Fidelity/NFS serve as a clearing firm and custodian for NewSquare Program accounts. Please refer to the NewSquare Part 2A of Form ADV for additional information on clearing and custody arrangements for the NewSquare Program. The Program portfolios consist of ETFs, individual equity securities or individual fixed income securities recommended by NewSquare Capital. Most of the portfolios are built with low-cost, passive ETFs. NewSquare provides on-going discretionary management of accounts in the Program. Based on the client’s responses to a questionnaire, portfolios are recommended by NewSquare that are designed to meet the client’s investment objectives, financial goals, and risk tolerance. The Program provides investment management services through a range of strategies that include portfolios tailored for income, risk managed growth and wealth preservation designed, structured and managed by NewSquare. Please refer to NewSquare’s Part 2A or Appendix I Wrap Fee Program of Form ADV, as applicable, for additional information regarding their program.

### *Conflict of Interest Regarding Affiliated Ownership and Bonus Program*

Joseph Naselli, Sr. is an owner of NewSquare. Mr. Naselli's son, Francis Naselli, is a managing partner of Creative Financial Group, a financial services firm affiliated with MMLIS. MMLIS IA-Reps affiliated with Creative Financial Group can recommend that clients invest in the NewSquare program. In addition, certain MMLIS IA-Reps affiliated with Creative Financial Group own "sale of the company" incentive units (the "Units"). The Units provide eligible MMLIS IA-Reps with non-voting, company liquidation participation units upon the sale of NewSquare or the IA-Rep's death, disability, or retirement. Certain MMLIS IA-Reps that have placed in excess of \$25 million with NewSquare also receive a higher portion of the total client fee for certain client advisory accounts. NewSquare, from time to time, provides additional benefits to the MMLIS IA-Reps which also creates a conflict of interest for such IA-Reps to recommend the NewSquare program over other available advisory programs. The benefits can include occasional business entertainment including meals, invitations to sporting events, and other forms of entertainment, some of which can accompany educational opportunities or guest speaker events. The Units, the additional fee compensation to eligible IA-Reps and other benefits provided by NewSquare, as well as the affiliated ownership of NewSquare and Creative Financial Group, creates conflicts of interest and incentives for MMLIS IA-Reps to recommend that clients invest in the NewSquare program instead of other MMLIS advisory programs. These incentives and conflicts of interest apply to both the initial recommendation to open an Account in the Program and to make subsequent contributions to such Account. MMLIS addresses this conflict through disclosure to clients.

### *NewSquare Schwab Charitable Donor Advised Fund Service*

NewSquare offers the Schwab Charitable Donor Advised Fund service. A client ("Donor") may elect to utilize this service to make irrevocable donations to the Schwab Charitable Fund ("Schwab Charitable"), an independent nonprofit organization, and may be able to use such donations as tax deductions. Donors should refer to the Schwab Charitable policies and guidelines, as well as their Schwab Charitable application for additional information regarding establishing a donor-advised account with Schwab Charitable. Assets donated to Schwab Charitable through this service may be invested in the NewSquare Program and managed accordingly by NewSquare and MMLIS. Please refer to Item 5 of this brochure for fees and expenses associated with the NewSquare Program. A separate administrative fee is also charged by Schwab Charitable for this service which is administered and collected by Schwab Charitable.

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Clients may impose reasonable restrictions on accounts in the Baystate and NewSquare programs described in this brochure. As of December 31, 2023, MMLIS' assets under management (for all advisory programs, including those discussed in this Brochure) were:

Discretionary:	\$41,799,530,784
<u>Non-Discretionary:</u>	<u>\$31,028,179,753</u>
Total:	\$72,827,720,537

When providing investment recommendations that are treated as fiduciary investment advice as defined by Department of Labor regulations, MMLIS and our IA-Reps will act as investment advice fiduciaries to you under the Internal Revenue Code, ("Code") and/or the Employee Retirement Income Security Act ("ERISA") for your individual retirement account ("IRA") or retirement plan accounts, subject to Title I of ERISA, as applicable. Our fiduciary status relates only to the specific individual retirement accounts and retirement plan account(s) you have with us. Although we act as fiduciaries under the Code and/or ERISA, this does not necessarily mean that we act as fiduciaries under other laws. This acknowledgement does not create any enforceable legal rights beyond those conferred by the Code or ERISA as applicable. In particular, IRA owners and beneficiaries do not have a legal right of action to enforce the duties associated with our fiduciary status, which are enforceable only by the Internal Revenue

Service under an excise tax provision of the Code. Our fiduciary status automatically terminates if your individual retirement account or retirement plan account with MMLIS terminates. We reserve the right to retroactively amend any representations or statements herein regarding our status as fiduciaries to the extent permitted by law.

MMLIS does not have discretion or provide ongoing portfolio management services for the Baystate Wealth and NewSquare advisory programs as such programs are sponsored by other investment advisers. Ongoing portfolio management services are provided by the Baystate Wealth and NewSquare as detailed in Item 4 and the respective adviser's disclosure documents.

While certain programs noted above are closed to new accounts, MMLIS, in its discretion may allow beneficiaries of existing accounts to open accounts in certain asset management programs to continue the services.

## **Item 5 Fees and Compensation**

The specific manner in which advisory fees are charged by the Firm for each Co-Adviser Program listed in Item 4 above is established in a written agreement between the client, the Firm and the Third Party Adviser. Please refer to the applicable Third Party Adviser Brochure and the investment management agreement between the client, the Firm and the Third Party Adviser for details on how such Third Party Adviser charges fees to the client under such Co-Adviser Program.

Where the fees charged under the Co-Adviser Programs are for advisory, execution and other services, clients should understand that such bundled or "wrap" fees may cost more or less than purchasing such services separately, assuming the services can be purchased separately.

Additionally, clients may purchase securities without participating in the Co-Adviser Programs, and therefore, will not have to pay the advisory fee described below. Thus, it may be more cost efficient for clients to purchase the securities outside of the Co-Adviser/Adviser Program. However, clients will not receive the services provided under the Co-Adviser/Adviser Program if they choose to do so. The advisory fee a client pays may be higher than those charged by the Firm for other advisory programs offered through the Firm, or higher than those charged by other sponsors of comparable programs.

In addition to the advisory fees described below, the client may incur additional fees and expenses to participate in the Co-Adviser Programs. For instance, if the Co-Adviser Program invests client assets in securities such as ETFs, mutual funds or closed-end funds, clients will be subject to the fees and expenses of such securities which are generally established by each fund's board of directors and are subject to change. These include administration, distribution, transfer agent, custodial, legal, audit and other fees and expenses. Clients should read such securities prospectus, Statement of Additional Information, offering statements and/or other offering documents, if any, for a complete explanation of applicable fees and expenses. Other costs that may be assessed include spreads paid to market-makers and exchange fees, among others. In general, the client pays charges to the account custodian and/or clearing firm for various account services such as maintenance, termination, and/or wire transfers. Please refer to the disclosure documents of the custodian and/or clearing firm for additional information, as well as the applicable disclosure brochures of the Third Party Adviser.

The client should review the applicable Third Party Adviser disclosure brochure for a description of all fees and charges that the Third Party Adviser may assess for their respective Co-Adviser Programs. To the extent that assets used for participation in a Co-Adviser Programs come from the redemption of non-program investments, the client should consider the cost, if any, of sales charges previously paid or to be paid upon redemption, which would be in addition to the advisory fees on those assets. Clients should be aware that such redemptions might have tax consequences that should be discussed with an independent tax advisor.

The following section contains a general description of the compensation received by the Firm and the Third Party Advisers for the Baystate Wealth and NewSquare Co-Advisory Programs.



**Baystate Wealth Program.** Clients invested in the Baystate Wealth Program pay an annual, single fee (“Total Client Fee”) which includes advisory, operational, maintenance and administrative services provided by Baystate Wealth and MMLIS, as well as the custodial and brokerage services provided by Fidelity. The Total Client Fee is negotiable and comprised of a “Manager Fee” paid to Baystate Wealth and a “MMLIS IA-Rep Fee” paid to the MMLIS IA-Rep. The final net compensation received by the IA-Rep may be subject to additional adjustments of fees between the IA-Rep and MMLIS. MMLIS utilizes compensation schedules to calculate the overall compensation paid to IA-Reps for their work associated with the Programs and other offerings at MMLIS. By agreement, Baystate Wealth may treat members of a family as a single Client for billing, allocation and other purposes.

The Total Client Fee consists of a “Manager Fee” of 0.34% (subject to exceptions made at the discretion of Baystate Wealth) paid to Baystate Wealth and a MMLIS IA-Rep Fee, ranging from 0% - 1.30%. Please note that the IA-Rep Fee may exceed 1.30% if an IA-Rep meets certain thresholds under the Baystate Wealth Incentive Plan described above under Item 4 of this brochure. Notwithstanding the Baystate Wealth Incentive Plan, the maximum annual Total Client Fee is 1.64%.

Clients invested in the Baystate Wealth Program may select one of the following fee structures for their account:

Advisory Fee Plus: Under the “Advisory Fee Plus” option, in addition to the Total Client Fee, the Client will be charged separately for any transactional and other brokerage fees and costs incurred in connection with the management of their account pursuant to the then current fee schedule provided by Fidelity. The transactional and other costs are deducted directly from the Account. Baystate Wealth, MMLIS, and the MMLIS IA-Reps do not receive any portion of the transactional fees and costs paid to Fidelity.

Advisory Fee One: Under the “Advisory Fee One” option, the Client will only pay one fee, the Total Client Fee, which will include any transactional and other brokerage fees and costs related to the management of their account. Under Advisory Fee One, the Client will not pay separate or additional transactional or other brokerage fees or costs.

**NewSquare Program.** Clients invested in the NewSquare Program pay an annual, single fee (“Total Client Fee”) which includes advisory, operational, maintenance and administrative services provided by NewSquare and MMLIS, as well as the custodial and brokerage services provided by Schwab or Fidelity/NFS. The Total Client Fee is negotiable between the Client and IA-Rep and comprised of a “Manager Fee” paid to NewSquare, a “MMLIS IA-Rep Fee” paid to the MMLIS IA-Rep, and an administrative fee paid to MMLIS. The final net compensation received by the IA-Rep may be subject to additional adjustments of fees between the IA-Rep and MMLIS. MMLIS utilizes compensation schedules to calculate the overall compensation paid to IA-Reps for their work associated with the Programs and other offerings at MMLIS. At the discretion of NewSquare management, certain multiple family accounts may be householded and combined for fee purposes.

For accounts in the NewSquare Program opened prior to July 1, 2020, the Total Client Fee consists of a “Manager Fee” paid to NewSquare generally ranging from 0.35% - 0.65% depending on the asset allocation or investment strategy selected, and a MMLIS IA-Rep Fee ranging from 0% - 1.40%. The maximum annual Total Client Fee is 1.75%. NewSquare retains its Manager Fee portion of the Total Client Fee and remits the remaining IA-Rep Fee to MMLIS. As noted above, the final net compensation received by the IA-Rep may be subject to additional adjustments of fees between the IA-Rep and MMLIS. After MMLIS has made payments to its IA-Reps, MMLIS returns a pre-negotiated portion of the remaining IA-Rep Fee to NewSquare.

For accounts in the NewSquare Program opened on or after July 1, 2020, the Total Client Fee consists of a “Manager Fee” paid to NewSquare generally ranging from 0.35% - 0.65% depending on the asset allocation

or investment strategy selected, a MMLIS IA-Rep Fee ranging from 0% - 1.35%, and a MMLIS tiered administrative fee of 0.05% on assets in the account up to \$1,000,000 and 0.02% on assets in the account in excess of \$1,000,000. The maximum annual Total Client Fee is 1.75%. NewSquare retains its Manager Fee portion of the Total Client Fee and remits the remaining IA-Rep Fee to MMLIS. As previously described, the final net compensation received by the IA-Rep may be subject to additional adjustments of fees between the IA-Rep and MMLIS.

### **Additional Information Regarding Fees**

The Total Client Fee for the above Co-Adviser Programs does not include certain other fees and charges such as any fees imposed by the Securities and Exchange Commission, wire transfer fees, fees resulting from any special requests that client may have, fees or commissions for securities transactions (including without limitation dealer markups or mark-downs) effected through any broker-dealer other than the program custodian ("Custodian") or costs associated with temporary investment of client funds in a money market bank sweep account or mutual fund. In addition to the program fee, if applicable, the Custodian will charge the client additional miscellaneous fees (e.g., ACAT fees, IRA maintenance fees). Such fees are disclosed in the Custodian fee schedule for brokerage accounts.

### **Item 6 Performance-Based Fees and Side-By-Side Management**

This Item is not applicable to MMLIS.

### **Item 7 Types of Clients**

Depending on the particular program, MMLIS generally provides advice to individuals, high net worth individuals, trusts, estates, endowments and foundations, business entities and/or qualified plans.

#### **Minimum Account Size For Co-Adviser Programs**

- For Baystate Wealth Program, the minimum is \$250,000 aggregated by family; however a lower minimum may be accepted per the discretion of Baystate Wealth Management.
- For the NewSquare Program, the minimum account size is generally \$25,000 for a Strategic Portfolio, \$50,000 for ETF Taxable Bond, ETF Tax Exempt and Total Return ETF Portfolios, \$200,000 for the Focus Portfolios, and \$500,000 for the Individual Taxable and Individual Tax Exempt Bond Portfolios. A lower minimum may be accepted at NewSquare Capital's discretion.

For additional information regarding minimum investments in the above Co-Adviser Programs.

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

The Co-Adviser Programs described in this Firm Brochure are created and maintained solely by Third Party Advisers. Client assets in the Co-adviser Programs are invested solely by such Third Party Advisers based on their proprietary investment strategies and analyses in accordance with the model portfolio selected by the client. Client should carefully review Item 8 of the applicable Third Party Adviser's Brochure(s).

Clients should understand that investing in either of the Co-Adviser Programs described in this Firm Brochure involve risks that clients should be prepared to bear.

## Item 9 Disciplinary Information

MMLIS entered into a Consent Agreement and Order (“Order”) with the Commonwealth of Pennsylvania, acting through the Department of Banking and Securities (“Department”), Bureau of Securities Licensing, Compliance and Examinations (“Bureau”) for the resolution of a matter effective July 6, 2015. The Firm neither admitted, nor denied the allegations. The matter arose out of the conduct of a deceased former representative of the Firm who operated an unapproved outside business activity through which he issued, offered and sold unregistered promissory notes to certain Pennsylvania residents. The issuance, offer and sale of the notes by the representative were not approved by the Firm. The Bureau received five complaints and was aware of twelve notes totaling approximately \$385,000. The Firm was subject to a sanction under Section 305(a)(vii) of the 1972 Act, 70 P.S. §1-305(a)(vii) for a failure to reasonably supervise an agent of the Firm. The Order directed the Firm to (i) pay an administrative assessment in the amount of \$100,000; (ii) pay legal and investigative costs in the amount of \$25,000; (iii) comply with the 1972 Act, and its Regulations as adopted by the Department, 70 P.S. §1- 101, et. seq; and (iv) represent to the Department that it had made payments to certain Pennsylvania residents related to the securities activities of the representative and his outside business. Payment to certain Pennsylvania residents in the amount of \$150,840.62 was made on June 30, 2015.

MMLIS entered into an AWC with FINRA for the resolution of a matter effective November 15, 2016. FINRA made findings that the Firm disadvantaged certain retirement plan and charitable organization customers that were eligible to purchase Class A shares in certain mutual funds without a front-end sales charge (“Eligible Customers”). FINRA found that these Eligible Customers were instead sold Class A shares with a front-end sales charge or Class B or C shares with back-end sales charges and higher ongoing fees and expenses. The AWC stated that the Firm failed to establish and maintain a supervisory system and written policies and procedures reasonably designed to ensure that Eligible Customers who purchased mutual fund shares received the benefit of applicable sales charge waivers. The AWC also stated that the Firm failed to reasonably supervise the application of sales charge waivers to eligible mutual fund sales. FINRA found that the firm relied on its financial advisors to determine the applicability of sales charge waivers, but failed to maintain adequate written policies or procedures to assist financial advisors in making this determination, including failing to establish and maintain written procedures to identify applicable sales charge waivers in fund prospectuses for Eligible Customers. Without admitting or denying the findings, the Firm consented to a censure and agreed to pay restitution to investors totaling \$1,864,167.77, plus interest.

MMLIS (and three other broker-dealers affiliated with MassMutual) entered into an AWC with FINRA for the resolution of a matter effective June 30, 2017. FINRA made findings that the Firm failed to maintain certain electronic books and records in a non-erasable and non-rewritable format known as the “Write Once, Read Many” (WORM) format that is intended to prevent the alteration or destruction of broker-dealer records stored electronically. The findings also stated that the Firm failed to (i) provide the required 90-day notice to FINRA prior to retaining a vendor to provide electronic storage, (ii) implement an audit system as required for such electronic books and records, (iii) provide letters of undertaking from independent third-parties with the ability to access and download information from the Firm’s electronic storage media; and (iv) enforce written supervisory procedures concerning the Firm’s storage of electronic brokerage records in WORM format. Without admitting or denying the findings, the Firm consented to a censure and agreed to a fine in the amount of \$750,000 (to be paid jointly and severally by the three other MassMutual affiliated broker-dealers). The Firm also agreed to certain undertakings, mainly to submit to FINRA within 60 days a written plan of how the Firm will conduct a comprehensive review of the adequacy of the relevant policies and procedures (written and otherwise), including a description of remedial measures leading to full compliance.

MMLIS entered into an AWC with FINRA for the resolution of a matter effective March 20, 2020. FINRA made findings that the Firm failed to ensure that access to a third-party system was limited to only those former registered representatives of a company that was acquired by the Firm for whom access was agreed to be given. As a result, additional former registered representatives and associated persons of the Firm had access to the third-party system after the acquisition. Because MMLIS was unaware that these additional registered representatives and associated persons had access to the third-party system after the acquisition, the Firm did not notify the third party when those

registered representatives and associated persons ceased to be associated with the Firm. As a result, the third-party did not timely shut off those former registered representatives' and associated persons' access to the third-party system. The third party system stored customer records and information, including nonpublic personal information. Without admitting or denying the findings, the Firm consented to a censure, a fine of \$75,000, and the entry of findings that it failed to prevent certain registered and associated persons who had been terminated from the Firm from continuing to access customer records and information, including nonpublic personal information, in violation of the SEC's Regulation S-P and FINRA Rule 2010.

On September 10, 2021, MMLIS entered into an agreement and order ("Order") with the U.S. Securities and Exchange Commission ("SEC"). The Firm neither admitted nor denied the allegations in the Order. The Firm was censured and ordered to cease and desist from committing or causing violations or future violations of Section 206(2) or 206(4) of the Advisers Act and Rule 206(4)-7 thereunder. In connection with the Order, MMLIS agreed to pay disgorgement of \$1,150,505, prejudgment interest of \$258,952.29 and a penalty of \$700,000. The Order included allegations regarding breaches of fiduciary duties by MMLIS and MSI Financial Services, Inc. ("MSI"), a formerly registered investment adviser and broker-dealer that was integrated with MMLIS in March 2017, in connection with third-party compensation that MMLIS and MSI received based on their advisory clients' investments without fully and fairly disclosing their conflicts of interest. In particular, the Order stated that during certain periods since at least March 2015, MMLIS and MSI invested clients in certain share classes of mutual funds that resulted in the firms receiving revenue sharing payments pursuant to agreements with their unaffiliated clearing broker. The SEC alleged that in spite of these financial arrangements, MMLIS and MSI provided no disclosure or inadequate disclosure of the conflicts of interest arising from this compensation. The SEC alleged that MMLIS and MSI also breached their duty to seek best execution by causing certain advisory clients to invest in share classes of mutual funds that paid revenue sharing when share classes of the same funds were available to the clients that presented a more favorable value under the particular circumstances in place at the time of the transactions. Furthermore, the Order stated that MMLIS and MSI failed to adopt and implement written compliance policies and procedures reasonably designed to prevent violations of the Advisers Act and the rules thereunder in connection with its mutual fund share class selection practices and disclosure of conflicts of interest arising out of its revenue sharing practices. As a result of the conduct described herein, the SEC alleged that MMLIS willfully violated sections 206(2) and 206(4) of the Advisers Act and Rule 206(4)-7 thereunder.

MMLIS entered into an agreement and consent order ("Order") with the Massachusetts Securities Division ("MSD") for the resolution of a matter effective September 15, 2021. The Firm neither admitted, nor denied the allegations. The MSD alleged that MMLIS failed to supervise its broker-dealer agents' posting about securities on social media, trading in outside accounts of other individuals, and excessive trading in personal accounts, and that these allegations constituted violations of Mass. Gen. Laws 204(A)(2)(J). In connection with the Order, MMLIS was censured and agreed to pay a fine of \$4,000,000. MMLIS was ordered to cease and desist from future violations of Massachusetts securities laws and engage an independent third party consultant to review policies and written supervisory procedures regarding (1) its broker-dealer agents' use of social media platforms, (2) detecting and monitoring broker-dealer agent trading in the accounts of others, and (3) monitoring of personal trading of registered agents. MMLIS also agreed to conduct compliance training and three years of annual compliance audits.

MMLIS entered into an agreement and consent order ("Order") with the Massachusetts Securities Division for the resolution of a matter effective September 15, 2021. The Firm neither admitted, nor denied the allegations. The allegations stated that MMLIS employed three hundred four (304) individuals who transacted securities business in Massachusetts, sixty-three (63) individuals who supervised MMLIS agents transacting securities business in Massachusetts, and one hundred eleven (111) agency supervisor officers who assisted in supervising agents while not registered as agents. In connection with the Order, MMLIS was censured and agreed to pay a fine of \$750,000. MMLIS was ordered to cease and desist from future violations of Massachusetts securities law and conduct a review of policies and procedures.

MMLIS entered into an AWC with FINRA for the resolution of a matter effective December 20, 2021. The Firm was censured and ordered to pay \$617,726.28, plus interest, in restitution to impacted customers. In resolving the matter, MMLIS provided substantial assistance to FINRA and, accordingly, no monetary sanction was imposed. The AWC stated that the Firm's systems and procedures for supervising representatives' 529 plan share class recommendations were not reasonably designed. The Firm allegedly failed to provide supervisors with adequate guidance and information necessary to evaluate the suitability of representatives' 529 plan share class recommendations, and also failed to provide guidance to representatives regarding the share class suitability factors specific to 529 plan investments when recommending 529 plans. In particular, supervisors approved numerous 529 C share transactions without having access to or considering beneficiary age, a relevant factor in evaluating the suitability of 529 share-class recommendations. Moreover, the Firm did not conduct training for representatives regarding 529 plan share classes or otherwise provide guidance with respect to the relevant suitability factors when recommending a particular 529 plan share class. The AWC also stated that the Firm failed to reasonably supervise mutual fund and 529 plan transactions for available breakpoints. The Firm's supervisory system was not reasonably designed to identify and apply all available breakpoint discounts. The Firm required its registered representatives to complete a breakpoint worksheet for Class A share purchases in mutual funds of 529 plans to identify available breakpoint discounts, but did not require breakpoint worksheets for direct or automatic contribution transactions made subsequent to an initial investment. The Firm relied on an exception report to identify missed mutual fund and 529 plan breakpoints. However, the exception report only captured transactions of \$500 or more. As a result, the AWC stated the Firm failed to have a system reasonably designed to aggregate for breakpoint purposes, customers' contributions to mutual funds and 529 plans if those contributions were in amounts less than \$500.

MMLIS entered into an agreement and consent order ("Order") with the Massachusetts Securities Division for the resolution of a matter effective August 16, 2022. The Firm neither admitted, nor denied the allegations and MMLIS was ordered to cease and desist from future violations of Massachusetts securities law. The allegations stated that MMLIS failed to: (1) reasonably supervise a representative's variable annuity sales practices, (2) ensure that its representative properly informed clients of the general terms of variable annuities recommended, and (3) ensure that its representative properly disclosed commissions received in connection with clients' purchases of variable annuities and their premium payments. In connection with the Order, MMLIS was censured and the Firm agreed to: (1) pay a fine of \$250,000, (2) make certain remediation payments to clients, and (3) conduct a review of related policies and procedures.

MMLIS entered into an AWC with FINRA for the resolution of a matter effective May 16, 2023. Without admitting or denying the findings, the Firm consented to a censure and agreed to pay a fine of \$250,000. The AWC stated that the Firm had failed to timely amend its associated persons' Forms U4 and U5 to report disclosable events, including but not limited to customer complaints and arbitrations, the disposition of complaints, criminal charges, bankruptcies, internal review and investigations, and regulatory actions. The AWC also stated that the Firm failed to establish, maintain and enforce reasonable supervisory procedures, including written supervisory procedures (WSPs), to timely and accurately report regulatory events on Forms U4 and U5, the Firm's procedures were not reasonable to ensure effective communications among the Firm's departments concerning events that may warrant disclosure. In addition, the AWC stated that the Firm's system for updating previously reported customer complaints and arbitrations led to over a dozen late filings. The AWC also stated that the Firm has since recognized these deficiencies and subsequently revised its supervisory system; the Firm also implemented a new system provided by a third-party vendor designed to improve interdepartmental communication of reportable events.

MMLIS entered into a Stipulation and Consent Order in Lieu of Cease and Desist Proceedings with the State of Michigan, Department of Licensing and Regulatory Affairs, Corporations, Securities, and Commercial Licensing Bureau, effective September 26, 2023. MMLIS self-reported to the State of Michigan that it failed to properly submit necessary investment adviser representative registration application materials for an individual investment adviser representative from 2010 to 2023. The individual was registered as a broker-dealer agent during this period of time, and became registered as an investment adviser representative on or around August 6, 2023. The State

alleged that MMLIS' inadvertent failure to properly submit registration materials resulted in it materially aiding violations of MCL 451.2404 by the individual. MMLIS neither admitted or denied the allegation and was ordered and agreed to: (1) pay a fine of \$10,000, (2) conduct a review of related policies and procedures, and (3) send a notification letter to impacted advisory clients notifying them of the Consent Order.

## **Item 10 Other Financial Industry Activities and Affiliations**

The Firm is registered with the SEC as an investment adviser and a broker-dealer and its principal officers are registered as IA-Reps and/or registered representatives ("RRs") of the Firm. In its capacity as a broker-dealer, the Firm sells variable insurance products and general securities, including, but not limited to, stocks, bonds, municipal and government securities, and mutual funds to the public. The products available through the Firm include products issued by our affiliated insurance companies as well as those issued by unaffiliated issuers. As part of this business, the Firm, through its RRs who are also be IA-Reps, provides to clients a broad range of securities brokerage services which may include clients who participate in the Programs. The Firm, as a broker-dealer, effects securities transactions for these brokerage customers for compensation and recommend that customers buy or sell securities or investment products in which the Firm or its officers, directors, employees or RRs have a financial interest or can themselves purchase or sell. Clients should be aware that compensation earned by the Firm and its RRs vary by product and by issuer. Therefore, the Firm and its RRs can receive more compensation for selling certain products issued by a Firm affiliate than for selling certain products issued by companies that are not affiliated with the Firm.

The following describes the relationship or arrangement that the Firm has with its affiliates and other nonaffiliated companies that may be material either to the advisory business of the Firm or to clients.

### **Broker Dealers, Other Investment Advisers and Investment Companies**

MMLIS's management persons, including its directors and executive officers, are RRs and/or associated persons of MMLIS. Management persons are also be registered or associated with the Firm's affiliated broker-dealers MML Distributors, LLC and MML Strategic Distributors, LLC and with its affiliated investment advisers, including MML Investment Advisors, LLC and Society of Grownups, LLC.

MMLIS is owned by MassMutual Holding LLC. Massachusetts Mutual Life Insurance Company ("MassMutual") is MassMutual Holding LLC's principal owner. MMLIS's RRs and IA-Reps are all licensed insurance agents or brokers of MassMutual and/or other affiliated or unaffiliated insurance companies. MMLIS' RRs are all licensed to sell securities and can effect securities transactions for compensation for any client.

MML Investment Advisors, LLC acts as an investment adviser, and MML Distributors, LLC acts as principal underwriter, for certain mutual funds, including the MassMutual Select Funds, the MassMutual Premier Funds, MML Series Investment Fund and the MML Series Investment Fund II. MML Distributors, LLC is owned by MassMutual Holding LLC. MMLIS can recommend these mutual funds to clients in its broker-dealer or investment adviser capacity.

MassMutual Holding LLC is the sole shareholder of Barings LLC ("Barings"), a registered investment adviser. MMLIS had entered into a solicitor's agreement with Barings whereby MMLIS received compensation for referring clients to Barings for asset management services. Barings accounts have been assigned, with client's consent, to LMCG Investments, LLC (formerly known as Lee Munder Capital Group LLC). MMLIS continues to receive a referral fee on those accounts. MMLIS can also recommend that its advisory clients invest in mutual funds advised by Barings.

Barings also issues alternative investments. MMLIS, in its broker-dealer or investment adviser capacity, may recommend that a client invest in an alternative investment issued by Barings. MMLIS addresses this conflict of

interest by disclosing it to clients and supervising recommendations relating to alternative investments in compliance with its fiduciary duty to you.

Recommending a mutual fund advised or distributed by an affiliate creates a conflict of interest between the Firm and advisory clients. MMLIS addresses this conflict of interest by disclosing it to clients. In addition, MMLIS generally relies on third parties to provide the underlying analysis to determine whether a mutual fund is eligible to be recommended in an advisory program.

Affiliated Funds may be available as underlying investments in a Portfolio. When an affiliated Fund is an underlying investment in a Portfolio, MMLIS and/or one of its affiliates receives a financial benefit. This conflict of interest is addressed by disclosing it to clients.

Affiliated Funds are ineligible Investment Options for qualified plan accounts and IRAs.

MassMutual, directly and/or through one or more of its affiliates, owns common shares (approximately 17% of outstanding common shares) and preference shares of, and has certain shareholder rights with respect to, Invesco Ltd. (“Invesco”) as a result of the sale of MassMutual’s formerly affiliated asset management business, OppenheimerFunds, to Invesco. MMLIS, in its broker-dealer or investment adviser capacity, can recommend that a client invest in an investment product advised and/or distributed by one or more Invesco entities. MMLIS addresses this conflict of interest by disclosing it to clients. In addition, MMLIS generally relies on third parties to provide the underlying analysis to determine whether a mutual fund is eligible to be recommended in an advisory program.

MMLIS is the co-underwriter for, and a distributor of, variable products of MassMutual and its subsidiaries. Such variable products are issued by separate accounts which are registered as investment companies. MMLIS can recommend these products to clients in its broker-dealer capacity.

MMLIS owns MML Insurance Agency, LLC (“MMLIA”), a Massachusetts limited liability company which has authority to sell life, health and annuity products. Variable products available through MMLIA are recommended to clients only in MMLIS’s broker-dealer capacity.

MassMutual Trust Company is a wholly owned subsidiary of MassMutual. MMLIS has entered into a solicitor’s agreement with MassMutual Trust Company whereby MMLIS and MMLIS IA-Reps receive compensation for referring clients to MassMutual Trust Company for trust related services. In addition, assets managed by MassMutual Trust Company that are attributable to an IA-Rep or an IA-Rep’s team are included in the calculation that determines whether an IA-Rep qualifies to receive a higher percentage of the Advisory Fee and overall compensation. The referral fee and these incentive programs create a conflict of interest and an incentive for IA-Reps to refer clients to MassMutual Trust Company over other companies that provide trust related services. MMLIS addresses these conflicts of interest by disclosing them to you, and supervising referrals for compliance with its fiduciary duty to you.

Additional information on certain related entities is specifically disclosed on Schedule D of Form ADV, Part 1 at Item 7.A. Part 1 of Form ADV can be accessed by following the directions provided on the Cover Page of this Firm Brochure.

The Firm as a broker-dealer does not receive 12b-1 fees or other distribution fees in connection with the offering of mutual funds in the Baystate and NewSquare Programs.

Certain IA-Reps of the Firm can also be affiliated with and provide investment advisory services through an investment adviser that is not affiliated with the Firm (“Third Party Adviser”). In that respect, such IA-Reps can offer investment advisory programs through both the Firm and the Third Party Adviser. The compensation that they receive from the Third Party Adviser for offering investment advisory services can be more or less than the compensation that they receive from the Firm. While the investment advisory programs made available by the Third

Party Adviser can differ materially from the programs made available by the Firm, the IA-Reps have an incentive to recommend an investment advisory program that offers them the greatest compensation potential.

As previously discussed, IA-Reps receive a portion of the compensation paid to MMLIS for the services described in this Brochure. MMLIS utilizes compensation schedules to calculate the compensation paid to IA-Reps. MMLIS also has an incentive program where an IA-Rep will receive an additional percentage of the compensation paid to MMLIS if the total assets clients have invested through certain advisory programs reach certain thresholds. This creates an incentive for IA-Reps to recommend these programs to clients over other programs or services. The Firm addresses this conflict by disclosing it to clients, suitability reviews of recommended securities and other products and through supervision of the IA-Reps.

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

MMLIS has adopted an Investment Adviser Code of Ethics (“Code”) for certain persons of the Firm in compliance with Rule 204A-1 under the Investment Advisers Act of 1940. This Code establishes required standards of business conduct, as well as policies and procedures that are reasonably necessary to detect and prevent personal trading activities that are, or might be an abuse of fiduciary duties or create conflicts of interest.

The Code requires that all IA-Reps and certain other affiliated personnel (together, “Access Persons”) acknowledge receipt and report violations of the Code. The Code sets forth standards with regard to an Access Person's personal trading and establishes general prohibitions, including but not limited to, the observance of personal trade blackout periods for certain persons. The Code places additional obligations on Access Persons including the obligation to obtain pre-approval prior to opening new investment accounts and to only hold investment accounts with certain companies that must provide the Firm with electronic feeds of account transactions. SEC rules and guidance exempt certain types of securities and transactions from Code of Ethics reporting.

The principles set forth in the Code that govern personal trading activities for Access Persons include:

- The duty at all times to place the interest of advisory clients first;
- The requirement that all covered personal trades be consistent with the Code so as to avoid any actual or potential conflict of interest; and
- The fundamental standard that individuals should not take inappropriate advantage of their positions with respect to the Firm and/or its advisory clients.

To prevent and detect violations of the Code, the Firm reviews transactions within accounts that have been reported by Access Persons. A copy of the Code of Ethics will be provided to any client or prospective client upon request. Please refer to the cover page of this Brochure for our contact information.

The Firm or its IA-Reps may give advice or take action in performing their duties for other clients or for their own accounts that differs from the advice provided, or in the timing and nature of action taken, with respect to clients in the Third Party Programs. In addition, the Firm and its IA-Reps may give advice or take action in performing their duties for one client in the Third Party Program that differs from the advice provided, or in the timing and nature of action taken, with respect to another client in the Third Party Program.

Personal transactions in securities by affiliated persons of MMLIS will be subject to the procedures described in MMLIS's Code of Ethics and Compliance Manual. MMLIS may from time to time perform a variety of services for, or solicit business from, a variety of companies including issuers of securities that the Firm may recommend for purchase or sale by its clients. In connection with providing these services, the Firm and its affiliated persons may come into possession of material nonpublic and other confidential information which, if disclosed, might affect an investor's decision to buy, sell or hold a security.



Under applicable law, the Firm and its affiliated persons are prohibited from improperly disclosing or using such information for their personal benefit or for the benefit of any other person, regardless of whether such other person is a client of MMLIS. Accordingly, should the Firm or any of its affiliated persons come into possession of material nonpublic or other confidential information concerning any company, they will be prohibited from communicating such information to clients, and MMLIS will have no responsibility or liability for failing to disclose such information to clients as a result of following its policies and procedures designed to comply with applicable law.

## **Item 12 Brokerage Practices**

Please refer to Item 12 of the applicable Third Party Brochure to review the Third Party Adviser's brokerage practices as applicable to the Co-Adviser Program that you have selected. The Firm and the IA-Reps do not independently review, screen or appoint custodians for the Co-Adviser Programs. The client is ultimately responsible for selecting the custodian for the account and will be directing the Third Party Adviser to send all trades through such custodian. Client should be aware that by directing brokerage, the Third Party Adviser may be unable to achieve most favorable execution of client transactions and this practice can cost the client more money. For example, the client may pay higher brokerage commissions because the Third Party Adviser may not be able to aggregate orders to reduce transaction costs, or the client may receive less favorable prices for trades. The Firm does not participate in any soft dollar or directed brokerage arrangements with these custodians, and neither the Firm nor the IA-Rep, receives any compensation from these custodians or the Third Party Adviser for assisting the client with the client's review.

## **Item 13 Review of Accounts**

The Firm or the IA-Rep will contact the client, at least annually, to determine whether anything has changed in the client's financial circumstances or investment objectives that may affect the manner in which the client's account should be managed. Additionally, this annual contact is used to determine, where applicable, whether the client wishes to impose new investment restrictions or modify any current investment restrictions on the management of the client's Co-Adviser Program account. Changes conveyed by the client will be forwarded by the Firm to the applicable Third Party Adviser.

The Firm and its IA-Reps do not review client accounts established under the Co-Adviser Programs. Please refer to the investment management agreement between the Third Party Adviser, the Firm and the client for details about the role and responsibility of the Firm and its IA-Reps under each Co-Adviser Program. Please refer to Item 13 of the applicable Third Party Brochure to review the Third Party Adviser's account review obligations and practices.

## **Item 14 Client Referrals and Other Compensation**

### **Other Compensation and Conflicts of Interest Relating to the Co-Adviser Programs**

#### *Baystate Wealth*

Baystate Wealth was acquired by Mariner, LLC, effective January 2, 2024. Prior to the acquisition, David Porter was the Chairman of the Board and a Managing Member (owner) of Baystate Wealth. Currently, Mr. Porter is an employee of Mariner, LLC. Mr. Porter is also a Managing Member and a Principal of Baystate Financial Services ("Baystate Financial"), a financial services firm affiliated with MMLIS. MMLIS IA-Reps affiliated with Baystate Financial may recommend that clients invest in the Baystate Wealth program. In addition, certain other MMLIS representatives affiliated with Baystate Financial are also employees or independent contractors of Mariner, LLC. These representatives are not permitted to refer any clients to Baystate Wealth and are not involved in investment management activities of Baystate Wealth.

These joint affiliations create a conflict of interest and incentive for MMLIS IA-Reps affiliated with Baystate Financial to recommend that clients invest in the Baystate Wealth program instead of other MMLIS advisory programs. MMLIS addresses this conflict through disclosure.

Baystate Wealth has an incentive plan for MMLIS IA-Reps which may increase the IA-Rep paid on Baystate Wealth accounts from 0.05% - 0.12% basis points when assets in all Baystate Wealth accounts serviced by a MMLIS IA-Rep reach certain thresholds between \$15 million and \$75 million. This plan creates a conflict of interest and incentive for MMLIS IA-Reps to recommend Baystate Wealth over other available advisory programs that may be less expensive and or result in lower compensation to your MMLIS IA-Rep. This also creates an incentive for a MMLIS IA-Rep to recommend Client open or maintain an account with Baystate Wealth in order to reduce the Manager Fee and earn additional compensation. Please refer to Item 4 of this brochure for additional information regarding the Baystate Wealth incentive plan. MMLIS mitigate this conflict through disclosure and maintaining comparable IA-Rep fee ranges among the Baystate Wealth program and other MMLIS advisory programs.

#### *NewSquare*

Joseph Naselli, Sr. is an owner of NewSquare. Mr. Naselli's son, Francis Naselli, is a managing partner of Creative Financial Group, a financial services firm affiliated with MMLIS. MMLIS IA-Reps affiliated with Creative Financial Group can recommend that clients invest in the NewSquare program. In addition, certain MMLIS IA-Reps affiliated with Creative Financial Group own "sale of the company" incentive units (the "Units"). The Units provide eligible MMLIS IA-Reps with non-voting, company liquidation participation units upon the sale of NewSquare or the IA-Rep's death, disability, or retirement. Certain MMLIS IA-Reps that have placed in excess of \$25 million with NewSquare also receive a higher portion of the total client fee for certain client advisory accounts. NewSquare, from time to time, provides additional benefits to the MMLIS IA-Reps which also creates a conflict of interest for such IA-Reps to recommend the NewSquare program over other available advisory programs. The benefits can include occasional business entertainment including meals, invitations to sporting events, and other forms of entertainment, some of which can accompany educational opportunities or guest speaker events. The Units, the additional fee compensation to eligible IA-Reps and other benefits provided by NewSquare, as well as the affiliated ownership of NewSquare and Creative Financial Group, creates conflicts of interest and incentives for MMLIS IA-Reps to recommend that clients invest in the NewSquare program instead of other MMLIS advisory programs. These incentives and conflicts of interest apply to both the initial recommendation to open an Account in the Program and to make subsequent contributions to such Account. MMLIS addresses this conflict through disclosure to clients.

### **Additional Information Regarding Client Referrals and Other Compensation to MMLIS**

#### *Marketing Support from NewSquare Capital*

NewSquare Capital makes quarterly payments to MMLIS to provide financial support for Creative Financial Group regarding administrative, educational, marketing and distribution efforts by MMLIS IA-Reps and to facilitate their knowledge of the marketplace and NewSquare products. The payments from NewSquare to MMLIS are based on an annual percentage of non-qualified assets invested in the NewSquare program, and are made in quarterly installments. MMLIS expects to receive less than \$350,000 in payments from NewSquare in 2024. These payments create a conflict of interest and incentive for MMLIS IA-Reps and MMLIS to promote and recommend the NewSquare program over other advisory programs offered by MMLIS.

#### *Other Compensation*

The Firm enters into certain agreements with various organizations and associations pursuant to which such entities make available or endorse financial products and services offered by or through the Firm and its affiliates. Typically, such entities provide access to their members in exchange for a flat fee that the Firm or an affiliate pays.

The Firm and its IA-Reps can receive non-cash compensation from Third Party Advisers other than advisory fees. For example, a Third Party Adviser may sponsor its own conferences for training and educational purposes to which certain IA-Reps are invited. In addition to attending these conferences without charge, the Third Party Adviser may also reimburse or pay for the travel and other related expenses incurred by IA-Reps or a Firm branch office in connection with dinners or events for clients and other miscellaneous expenses incurred by IA-Reps.

Certain of the Third Party Advisers not described in this Firm Brochure with whom the Firm has a relationship with have in the past year and are expected to continue to pay the Firm an additional payment based on the dollar value of assets contributed by the Firm's clients or a negotiated amount or other formula. This additional payment is paid directly to the Firm from the Third Party Advisers' own assets and therefore does not increase the fees and charges assessed to the client. As a result of these additional payments, the Firm and its IA-Reps have a financial incentive to recommend a Third Party Program offered by a Third Party Adviser in which such additional payments are made over another in which such payments are not made or are not as large. The Firm generally uses the funds received through these arrangements to offset its expenses associated with conducting due diligence on the Third Party Adviser or the Third Party Program, marketing, and training IA-Reps on the Third Party Adviser or the Third Party Program, or for other business purposes. In 2023, no Third Party Adviser paid more than \$1.8 million to the Firm.

As a fiduciary, we endeavor at all times to put the interest of our clients ahead of our own interest. Clients should be aware, however, that the possibility of receiving incentive awards creates a conflict of interest to favor certain programs or services over others when making recommendations. MMLIS addresses this conflict of interest by disclosing it to clients, suitability reviews of recommended securities and other products and through supervision of the IA-Reps.

#### *Referral Arrangements*

The Firm may enter into referral arrangements with third parties ("Promoters" or "Solicitors") who will receive compensation from the Firm for referring prospective investment advisory clients to the Firm. Where required by applicable law, each marketing arrangement will be governed by a written agreement between the Firm and the Solicitor.

Clients who are referred to MMLIS through a Solicitor will be provided with copies of a separate disclosure statement from the Solicitor that describes the material terms of the compensation arrangement between the Firm and the Solicitor, any material conflicts of interest as a result of the relationship between the Firm and the Solicitor, whether the Solicitor is a client of the Firm, and any other information or document required to be provided under applicable law. The fees and expenses that the Firm pays to a Solicitor under these referral arrangements are not passed on to referred clients, but depending on the circumstances, the existence of such referral arrangements may affect the amount of the Firm's overall fees or its willingness to negotiate fee reductions in particular instances.

Under these referral arrangements, a Solicitor may introduce prospective clients to the Firm or an IA-Rep to further discuss with the IA-Rep whether the Firm's investment advisory services may be appropriate for the prospective clients. The Solicitor's sole responsibility under the referral arrangement is to refer prospective clients to the Firm or an IA-Rep. The Solicitor may not provide investment advice to prospective clients or the Firm clients on behalf of the Firm or the IA-Reps. Additional information about these arrangements, including the relationship between the Solicitor and the Firm, the role of the Solicitor and any compensation that the Firm pays to the Solicitor for introducing prospective clients, is outlined in the separate solicitor disclosure statement referenced above. The Solicitor will provide the solicitor's disclosure statement to prospective clients before they are introduced to the Firm or an IA-Rep.

The Firm and certain banks and credit unions (collectively "Financial Institutions") have entered into alliance arrangements whereby employees of Financial Institutions may refer individuals, who may be interested in learning more about the products and services available through the Firm, to IA-Reps. The Firm will share a portion of the compensation earned by the Firm with Financial Institutions for referring individuals who eventually obtained or

purchased products and/or services from the Firm. Employees of the Financial Institutions are not authorized to provide investment advice, or discuss the features of, or qualify individuals for, any product or services, on behalf of the Firm. Employees of Financial Institutions may receive nominal compensation for referring individuals to the Firm regardless of whether such individuals obtain products or services from the Firm. The compensation paid to Financial Institutions or their employees as described herein will not increase or otherwise affect the fees or charges a customer pays for obtaining products or services from the Firm.

### *Other Information*

Your IA-Rep is compensated by the Firm and its affiliates for the services described in this brochure, for other advisory services provided to customers and for the sale, renewal and servicing of various investment products. Your IA-Rep's overall compensation includes base commissions and other forms of compensation that may vary from product to product, service to service, and/or by the amount of the assets in his or her clients' accounts. You should be aware that the amount of his or her compensation can increase in part based upon the opening of your account and the amount of assets in your account within a defined period of time. He or she also is eligible for additional cash compensation (such as medical, retirement and/or other benefits) and non-cash compensation (such as conferences and sales support services) based upon similar criteria, including overall sales and productivity, as applicable. Also, IA-Reps are required to meet minimum overall sales requirements in order to continue their affiliation with the Firm and its affiliates and/or to continue to qualify for certain compensation arrangements described above.

Therefore, your IA-Rep has an incentive to offer you programs referenced in this Firm Brochure in order to meet these requirements and to recommend that you increase the amount you have invested in such programs. Additionally, your IA-Rep's manager is compensated by the Firm and its affiliates generally based on overall sales goals, including those that include the Programs referenced in this Firm Brochure, achieved by the IA-Reps whom they supervise and may qualify for additional compensation based on non-sales related factors as set by the Firm and/or its affiliates from time to time. Other incentives based on the amount of assets invested in NFS Custodied programs apply to certain managers. Generally, the manager's compensation is aligned with that of your IA-Rep, as noted above. MMLIS addresses these conflicts of interest by disclosing them to clients, and supervising account and program recommendations for compliance with its fiduciary duty to clients.

### **Item 15 Custody**

MMLIS does not maintain physical custody of client assets under the Program, although MMLIS may be deemed to have custody of client assets if the client gives MMLIS authority to withdraw assets from the client's Account in the Account opening documentation or pursuant to a standing payment instruction. Because this authority includes withdrawals in addition to deductions for fees, MMLIS is required to undergo an annual surprise inspection of its client accounts by an independent public accountant. Clients may receive quarterly performance reports from the Third Party Adviser and will receive at least quarterly account statements from the unaffiliated broker-dealer, bank or other qualified custodian (each, a "Custodian") that holds and maintains the clients' investment assets associated with the Co-Adviser Program, respectively. Performance reports are not official account statements of the Co-Adviser Programs, and clients should carefully review all account statements from the Custodian for accuracy and promptly notify the Custodian if any error or irregularities are found. Please refer to Item 16 of the Third Party Adviser's Brochure for details.

To the extent that the Custodian or the Third Party Adviser electronically transmits any client account data to the Firm, the Firm may provide an account transaction report to the client for informational purposes only. Such account transaction report is not a substitute for the Custodian's official account statement or the Third Party Adviser's performance report and may not be up to date. Therefore, the Firm's account transaction report should not be relied upon for making investment or tax decisions.

### **Item 16 Investment Discretion**

The Firm and its IA-Reps do not exercise investment discretion over client assets in any accounts established under either of the Co-Adviser Programs described in this Firm Brochure. Please refer to Item 16 (or other applicable section(s)) of the Third Party Adviser's Brochure for details concerning investment discretion.

### **Item 17 Voting Client Securities**

The Firm and its IA-Reps have no obligation or authority to take any action or render any advice with respect to proxies, consents, waivers or other documents for a client in either of the Co-Adviser Programs described in this Firm Brochure. Please refer to Item 17 of the Third Party Adviser's Brochure for details on client's obligation, if any, with respect to voting proxies or corporate actions for the securities held in your account. Contact the applicable Third Party Adviser directly if you have any questions about the proxy voting practices in either of the Co-Adviser Programs.

### **Item 18 Financial Information**

The Firm does not require clients who participate in any of the programs described in Item 4 to prepay its fees six months or more in advance. Additionally the Firm does not exercise any discretionary authority over, or maintain custody of, any client assets under any of the programs described in Item 4. The Firm does not have any material conditions that would impair its ability to meet its contractual commitments to clients.

Clients should review the Third Party Adviser's Brochure for any disclosures that the Third Party Adviser may make under this item.

## Important Notices to Clients

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. What this means for you: When you open an account, we will ask you for your name, address, date of birth and other information that will allow us to identify you. We may ask to see your driver's license or other identifying documents. Similarly, we will ask for identifying information and/or documents for accounts opened on behalf of an entity, rather than an individual (e.g. trusts, corporations). If you cannot provide the information or documentation we require, we may be unable to open an account or effect a transaction for you.

### PRIVACY POLICY

We recognize that our relationships with you are based on integrity and trust. As part of that trust relationship, we want you to understand that in order to provide our products and services to you, we must collect, use and share personal information about you. This Privacy Notice describes policies and practices about how we protect, collect and share personal information related to the financial products and services you receive from us. It also describes how you can limit some of that sharing.

#### ***We Protect Your Personal Information By:***

- Using security measures that include physical, electronic and procedural safeguards to protect your personal information from unauthorized access or use in accordance with state and federal requirements.
- Training employees to safeguard personal information and restricting access to personal information to employees who need it to perform their job functions.
- Contractually requiring business partners with whom we share your personal information to safeguard it and use it exclusively for the purpose for which it was shared.

#### ***Personal Information We May Collect:***

The types of personal information we may collect depends on the type of product or service you have with us and may include:

- Information that you provide to us on applications or forms, during conversations with us or our representatives, or when you visit our website (for example, your name, address, Social Security number, date of birth, income and assets).
- Information about your transactions with us and our affiliates, including your account balances and transactional history.
- Information from third parties such as consumer or other reporting agencies or other institutions if you transfer positions or funds to us.

#### ***We May Share All of the Personal Information We Collect, As Described Above, With:***

- Registered representatives who provide our products and services to you;
- Our affiliated companies, such as insurance or investment companies, insurance agencies or broker-dealers that market our products and services to you;
- Companies that perform marketing or administrative services for us;
- Nonaffiliated companies in order to perform standard business functions on our behalf including those related to processing transactions you request or authorize, or maintaining your account;
- Courts and government agencies in response to court orders or legal investigations;
- Credit bureaus; and
- Other financial institutions with whom we may jointly market products, if permitted in your state.

In addition, we may share certain of your personal information with your registered MMLIS representative, when he or she leaves MMLIS to join another financial institution (whom we call a "departing representative") so that he or she can continue to work with you at his or her new firm.

### **Important Privacy Choices**

MMLIS respects your privacy choices. If you prefer that we do not share your personal information about your accounts held with us with your departing representative, you can opt out of such sharing, that is, you may direct us not to do so. If you wish to opt out of the sharing of your personal information with your departing representative you may:

- Call us at 1-855-520-7715

You may make this privacy choice and contact us at any time, however, if we do not hear from you we may share your information with your departing representative as described above. If this is a joint account, if one joint owner tells us not to share information that choice will apply to the other owner or owners. If you have already told us your choice, there is no need to do so again.

Other than as described above, we will only share your personal information as permitted by law and, if the law requires us to obtain your consent or give you the opportunity to opt-out of some types of sharing, we will do so before sharing the information.

For California and Vermont residents, we will not share your personal information with your departing representative unless we receive your express consent.

If you are no longer our customer, we may continue to share your personal information as described in this Privacy Notice.

If you have questions or concerns about this Privacy Notice, please contact us at 1-855-520-7715..