



Krilogy Financial® LLC

275 N. Lindbergh Ste. 20
St. Louis, Missouri 63141
(314) 884-2800

www.krilogy.com

Client Disclosure Brochure

This Client Disclosure Brochure ("Brochure") provides information about the qualifications and business practices of Krilogy Financial ®LLC. ("Krilogy") If you have any questions about the contents of this brochure, please contact us at (314) 884-2800 or by email at: info@krilogy.com. 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 Krilogy is also available at our website, www.krilogy.com, or on the SEC's website, www.adviserinfo.sec.gov. Krilogy Financial LLC's CRD number is: 149046.

Krilogy is registered as an investment advisor with the SEC pursuant to the Investment Advisers Act of 1940 (the "Advisers Act"). Registration as an investment advisor does not imply a certain level of skill or training.

Version Date: March 28, 2024

Main Office
275 N. Lindbergh Ave. Ste. 20
St. Louis, Missouri, 63141
www.krilogy.com
(314) 884-2800

Item 2: Material Changes

On an annual basis, this item will be used to provide clients (“referred to either as “Client”, “You” or “Your”) with a summary of all material changes made to the Brochure since the last annual update. To receive a copy of our most recent brochure at any point during the year, please request one from your advisor or email compliance@krilogy.com and a copy will be sent to you without charge. We will also provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Krilogy last filed an annual amendment on March 31, 2023. Since the last filing, the firm made the following changes in its annual amendment:

Item 4:

- Has been updated to reflect more information regarding how Krilogy manages our client’s 401(k) held-away accounts within the firm’s Total Portfolio Program
- Has been updated to further clarify the firm and Advisor’s role in evaluating and recommending rollovers from a client’s Employer Sponsored Plan accounts
- Has been updated to include the firm’s Sub-advisory relationship with outside parties and its impact on discretionary and non-discretionary model management among direct and sub-advisory clients and non-clients Has been updated to reflect the use of AQR Capital Management’s Flex SMA strategy for limited ultra-high net worth clients

Item 10:

- Has been updated to disclose the winding up of the KCM Bond Fund

Item 12:

- Has been updated to reflect the trade aggregation and rotation policy for firm model investment strategies implemented among Krilogy direct clients and Sub-advisory relationships

The full firm’s Brochure can be found at <https://adviserinfo.sec.gov/firm/brochure/149046>

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Item 4: Advisory Business

Description of Krilogy Financial

This Brochure provides clients (“client,” “you” or “your”) with information about Krilogy, the fees charged for our services, and our business practices. Please review this Brochure carefully and consult with your tax professional before you decide to invest.

Krilogy Financial® LLC (“Krilogy”) is a fee-based federally registered investment adviser with the Securities and Exchange Commission (“SEC”) pursuant to the Investment Advisers Act of 1940 and has been in business since 2008. Krilogy is primarily headquartered in St. Louis, Missouri.

Krilogy is the primary operating subsidiary of Krilogy, LLC and affiliated with Krilogy Advisors, LLC (“Krilogy Advisors”), Krilogy Tax Services, LLC. In Texas, Krilogy also does business as Krilogy Texas, LLC. Krilogy is also affiliated through certain common ownership to Krilogy Capital Management Partners, LLC, Krilogy Capital Management, LLC, Krilogy Capital Management Partners II, LLC, and Krilogy Capital Management II, LLC. For more information, please see *Item 10: Other Financial Industry Activities and Affiliations* for further discussion.

Krilogy provides the following types of services: Portfolio Management, Financial Planning and Consulting, Corporate Retirement Plan Consulting and Management, Investment Management and Research Subscription Licensing Services for other Investment Advisers and their clients known as a Separately Managed Account Program (“SMA”) through Krilogy Portfolio Services (“KPS”) a division of Krilogy.

While this Brochure generally describes the business of Krilogy, certain sections also discuss the activities of its Supervised Persons, which refer to the Firm’s officers, partners, directors, (or other persons occupying a similar status or performing similar functions), and Employees or any other person who provides investment advice on Krilogy’s behalf and is subject to the Firm’s supervision or control. Supervised Persons who provided advisory services on behalf of Krilogy are also known as Investment Adviser Representatives. (Herein referred to as “Financial Advisor,” “Wealth Advisor,” or simply “Advisor”). **While all Krilogy Financial Advisors share a common association with Krilogy, many are still independent and their individual investment philosophies and strategies they use may differ significantly from each other. Consequently, Krilogy does not necessarily provide Clients who have similar investment objectives or risk tolerances the same investment strategies or advice. Clients should, therefore, select the Krilogy Financial Advisor whose investment philosophy and strategy is consistent with, among other things, the Client’s investment objectives, risk tolerances, and investment experience.**

As of market close on December 31, 2023, Krilogy managed \$2,434,121,900, in discretionary assets and \$71,267,300 in non-discretionary assets with total assets under management of \$2,505,389,200.

Advisory Services We Offer

Asset Management & Investment Management Services for Direct Krilogy Clients¹

Krilogy manages investment portfolios for a wide variety of clients including individuals, high net worth individuals, qualified retirement plans, charitable organizations and foundations as well as corporations both directly to clients of Krilogy Advisors and indirectly to clients of other Financial Institutions as outlined below in the Sub-advisory Services section.

This section discusses the relationship with direct Krilogy Clients. Krilogy provides direct portfolio investment management advisory services (“Services”) to Krilogy Clients pursuant to your Investment Advisory Agreement (“Agreement”) with the firm. We provide our Services through accounts maintained at a qualified custodian (please refer to *Item 15 – Custody* for more information).

In the provision of the direct Services, your experience with Krilogy is rooted in the working relationship between you and your Krilogy Financial Advisor. Krilogy provides your financial advisor tools that include the ability to utilize centralized design of investment portfolio model management by the firm’s Krilogy Portfolio Solutions Department to meet or assist in meeting your particular Investment Profiles, Objectives, and Risk Profile. However, your advisor is not required to utilize these investment portfolio models in providing you Service. Your advisor is required to continuously monitor your accounts and have a reasonable basis for making an investment recommendation or decision. The firm also utilizes software to track a client’s portfolio drift from its Portfolio Objective.

To facilitate the Services, your Krilogy advisor works with you to help understand and determine your appetite for risk, corresponding investment profile and objectives at a household level to manage your accounts to your stated needs. For prospective clients, the process generally also involves a review of your existing financial position articulated personal goals and risk appetite against existing investments. During these reviews, consideration is also given to subjective factors such as a client’s prior investment experience, ability and desire to manage their assets, risk tolerance, and familiarity with various investment vehicles. Each client’s situation is unique and due to client individual circumstances, one client’s plan may be more complex than another client. Each client is expected to provide complete information in all relevant areas. You are always responsible for notifying us of any changes to your financial situation or investment objectives.

Upon becoming a client, your Krilogy advisor will then periodically review your goals, investment objectives, time horizon, and risk tolerance with you. For certain clients, the advisor periodically provides other wealth management services, which are more holistic services than just investment management and may include financial planning or financial consulting, such as: retirement planning, charitable gift planning, college planning, financial estate planning, risk management counseling, social security planning, assistance in the establishment of and counsel on retirement plans, and assistance with assets outside Krilogy’s direct management, among other things.

¹ These Services exclusive of the SMA Services set forth below

As part of our Services for certain clients, we are also able to manage clients held-away accounts, that are maintained at independent third-party custodians. These are primarily 401(k) accounts, 529 plans, variable annuities and other assets Krilogy maintained by the client. These Services are offered through Krilogy's Total Portfolio Program ("TP Program"). By participating in the TP Program, the client is directing us to manage the accounts at the current custodian as part of the Services provided. In this TP Program, the firm pulls outside account information into its portfolio software to provide reporting and management along-side those client accounts that are directly managed. These held-away accounts are managed on a static schedule. Upon review, generally, the current holdings and available investment options are reviewed and rebalanced based upon your investment strategy across the entire household.

Krilogy portfolio allocations may include mutual funds, equities, bonds, fixed income, debt securities, equity and fixed income ETFs, hedge funds, third-party money managers, Business Development Companies (BDCs), REITs, exchange-traded and non-exchange traded alternative investments, affiliated proprietary private placements, government securities, and cash or cash equivalents. Krilogy may use other securities as well to help diversify a portfolio when applicable. Your portfolio may utilize one or more of Krilogy's proprietary model portfolios as a result of the recommended Investment Profile and Objective, if your advisor recommends or you request utilization.

For certain clients with sufficient assets, Krilogy may recommend customized ladder bond portfolios. In the case of ladder bond portfolio recommendations, it is the firm's intent to hold the bonds until maturity or call absent a change in the investment or other investment decisions such as tax-loss harvesting opportunities. If Krilogy does not maintain discretionary authority on the account, it will typically request additional discretionary authority from clients to manage their fixed-income assets. Discretionary authority is necessary to enable Krilogy to purchase such assets in a timely manner when they are available at quoted prices. Complete customized, ladder fixed-income portfolios generally require a minimum level of assets allocated to fixed income. Otherwise, Low-cost managed fixed-income, mutual funds, or ETFs are typically used for smaller allocation amounts. These ETF and Mutual Funds are generally to provide income as part of the client's portfolio objective and not as a total return (e.g., capital appreciation) vehicle within the client portfolio.

For certain clients, Krilogy may recommend the use of semi-liquid or illiquid alternative investments that are reviewed and approved by the firm's Krilogy Portfolio Services Department. A client must meet certain industry standards for investor qualifications and have a certain amount of assets under management with Krilogy to be eligible. Upon eligibility, the firm still maintains limitations on the amount of each individual alternative investment that can be held and total amount of alternative investments that may be held based upon the client's stated risk tolerance and corresponding investment objectives. Due to the illiquid nature of many of the alternative investments, these securities are seen as more risky investments because they cannot be easily liquidated should the client have a capital need. The firm will not follow nor recommend the continued holding of alternative investments that are either not on the firm's approved list or were previously purchased by a client. However, the client may still have to maintain these securities in his/her account(s) due to the lack of liquidity. Due to the semi-liquid or illiquid nature of these securities, it may not be possible to liquidate these securities. Should the client

wish to consolidate the non-recommended alternative investment holding within accounts under the firm's management, the client understands that (1) the firm does not recommend the holding of these securities, (2) the firm will not provide active management of the securities, and (3) the firm will manage the other securities in these accounts in spite of these securities holdings.

In certain unique circumstances or if requested by a client, Krilogy will allocate a portion of a portfolio to an independent third-party investment advisor ("separate account manager") for separate account management based upon individual client circumstances and objectives including, but not limited to, client account size, investment strategy, and tax circumstances. Upon the recognition of such situations, Krilogy will work with the custodian, separate account manager, and you under a formal agreement for the management of those securities.

There is no guarantee that any investment, strategy or model recommended and/or purchased will perform in any particular manner. Past performance is not a guarantee of future results. It is important that the client read the prospectus –provided by the Custodian -- of any security bought and held and contact the financial advisor if the client determines that he/she does not wish to be invested in that security. Krilogy and financial advisor may make changes to the client portfolio from time-to-time that may include changing out securities entirely or changing the allocation percentage invested in a security or asset class without prior notice. Liquidation may cause a taxable event as well as additional fees and expenses. While the potential tax consequences and additional expenses may be factored in, ultimately, the firm's final decisions on your portfolio will be focused on whether the investment and allocation meet the client's stated investment objective.

If the client decides to engage Krilogy's Services, the relationship begins when Krilogy accepts the executed written Agreement between the client and Krilogy and the client provides the firm complete information regarding appetite for risk, corresponding investment profile, and objectives for which to provide Services that meets the client's stated needs. Acceptance does not occur upon signature of the Agreement by the client and the financial advisor alone. **Any preliminary discussions or recommendations made before the written Agreement is accepted do not constitute investment advice and should not be relied upon as such. Any recommendations made for accounts for which the client does hold under Krilogy's relationship with custodian's Charles Schwab or Fidelity, but Krilogy does not receive a Fee as described in Item 5 are made as a courtesy and are complimentary meaning that these accounts are not governed by the Agreement between you and Krilogy and Krilogy does not provide ongoing Services, including but not limited to fiduciary investment advice.** See Item 5 for further information on Fees. Krilogy will not offer ongoing portfolio management under the Agreement for any accounts that Krilogy does not receive an information feed from the custodian/platform provider to the firm's portfolio software.

Before engaging the Services of Krilogy, the client should decide if the client is comfortable forgoing the day-to-day management of his/her account(s). Clients of Krilogy typically:

- Need advice and guidance when making investment decisions
- Are at ease with a financial professional making their day-to-day investment decisions
- Are willing to follow a disciplined investment strategy

- Are comfortable paying asset-based (percentage) fees for investments and advice rather than individual commissions or sales charges

Clients should consider a number of factors when evaluating whether to hire Krilogy and the Advisor as well as other fee-based advisory programs providing Services similar to those referenced here. Clients may be able to obtain some or all the same or similar services through other fee-based advisory programs of another investment adviser, commission-based broker-dealers, or by performing the services themselves. Clients should consider that, depending on the circumstances, other broker-dealer or investment advisors provide the same or similar Services for a lower overall aggregated fee. Clients may also experience different performance results or tax consequences from what by purchasing the investments separately or through another broker-dealer or investment adviser.

Generally, Krilogy will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction. However, clients who choose non-discretionary authority will be responsible for all trading and investment decisions in their account and should not rely solely on the recommendations of Krilogy or their financial advisor in choosing investments.

Securities Limitations and Corresponding Services: Clients may impose restrictions in investing in certain securities in accordance with values or beliefs by providing those specific restrictions to the financial advisor in writing. Should those restrictions include the restriction against selling certain securities, Clients agree that Krilogy and the advisor would not be responsible for the performance of those securities. Krilogy may allow the transfer in of securities that it would not otherwise recommend or would liquidate at account opening under its management at the specific request of the client with the understanding that those securities would not be part of the Services provided by Krilogy and your Advisor. In such instances, the client would be responsible for advising the advisor when it would be acceptable to liquidate the security and bear the responsibility for the performance or lack thereof those securities that have been restricted from sale. As one example, a client may request that Krilogy continue to maintain securities with a low-cost basis that a client has held for a long period. In this instance, Krilogy and the Advisor will manage the client's overall portfolio to account for the specific request or restriction of holding a particular security within the account. In another instance, a client may request that an illiquid alternative investment that Krilogy does not follow be held within accounts managed by Krilogy for consolidated reporting purposes. However, if the restrictions prevent Krilogy from properly servicing the client account or if the restrictions would require Krilogy to deviate from its standard suite of Services, Krilogy reserves the right to end the relationship. Depending upon the limitations imposed, client will not be able to participate in Krilogy's investment models and dynamic rebalancing process.

Retirement Account Clients

Krilogy is a fiduciary under ERISA with respect to discretionary Fee-based investment management services and investment advice provided to clients, including ERISA plan participants. Krilogy is also a fiduciary under the Internal Revenue Code (the "IRC") with respect to investment management services and investment advice provided within Individual Retirement Accounts (IRAs) and other tax-qualified accounts under the IRC. As such, Krilogy is

subject to specific duties and obligations under ERISA and the IRC that include, among other things, prohibited transaction rules which are intended to prohibit fiduciaries from acting on conflicts of interest unless there is an exemption. When a fiduciary gives advice in which it has a conflict of interest, the fiduciary must either avoid, eliminate the conflict, or rely upon a prohibited transaction exemption.

A compensation conflict of interest arises when Krilogy makes recommendations to Clients regarding the distribution and rollover of Client Employer Plan Assets ("Plan") to an IRA managed under the Agreement with Krilogy ("Rollover") because Krilogy and the client's Advisor receive compensation for subsequently providing Services on those assets that it would not have received absent the recommendation, e.g., Fees for advising a rollover IRA. Separately, the DOL considers a Rollover to include a client rolling over tax-qualified IRA accounts that the client previously managed on his/her own or were managed on a commission or fee basis by a broker dealer or registered investment adviser. However, ERISA and IRC allow these rollover recommendations under PTE 2020-02, so long as, after analysis of all relevant factors are completed, the recommendation is in the best interest of the client and provided in writing to the client.

No client is under any obligation to Rollover Plan or IRA assets to an IRA or other account advised or managed by Krilogy. Krilogy seeks to mitigate any potential conflict through disclosure, providing education, and assisting in analysis of the client's options. Typically, Krilogy seeks to not make a recommendation, but to provide education to Clients to help make an informed decision on whether to Rollover their Plans, which will include exploring the clients' options - Keeping the assets at the former employer, rolling over the assets to an IRA with Krilogy, rolling over the assets to an IRA that the client manages, moving the assets to a new employer plan, if applicable, or cashing out -- including the services and costs of the options of the rollover to Krilogy's management or leaving the assets in the employer-sponsored plan. Krilogy interprets the DOL rules to exclude providing education on a client's options along with a discussion about how the Plan assets are currently managed as against Services provided by Krilogy and the advisor on a client's existing and/or performing a rollover at client's instruction from ERISA's definition of advice and/or rollover recommendations. More often than not, a Rollover of a client's Plan assets take place when an existing Krilogy client leaves his or her employment to either retire or move to a new employer and wishes to consolidate the employer plan assets with Krilogy to gain better control and reporting over the assets and professional management. In those cases, Krilogy and the advisor is already providing Services to the client. As a result, the client is weighing the value ongoing Services typically is heavily weighed by the client when deciding between options. Their advisor is managing their other assets and here is a discussion around how the employer plan account is managed versus its current accounts. Clients should review the costs associated with leaving the assets with your employer versus moving the assets to an IRA as part of your independent review and determination of how to handle the assets in Plan.

With regard to IRA Rollovers, the Krilogy Advisor typically works with the client to understand the client's risk appetite, goals, time horizon and portfolio objectives and then helps the Client assess whether the client's current accounts are in line. More often than not, the Client is weighing subjective factors, including but not limited to education on his/her current portfolio, discussion and provision of certain financial and tax planning strategies, services provided by Krilogy

affiliates, and general intangibles provided by the Advisor in determining whether to hire Krilogy to provide Services. In some cases, where the client has another professional providing investment management services, the professional's fee is the same or greater than Krilogy's Fee for Services.

Should Krilogy make a Rollover recommendation, Krilogy will manage the compensation conflict through an analysis process designed to develop an informed recommendation in the best interest of the client. To do so, the Advisor will request the client's assistance in obtaining the Plan Benefit Documents from the employer to obtain information about services and expenses within the Plan. The Plan is required to have a Plan Benefits Document. If the client is unable to obtain the Plan Benefit Documents, the Advisor will request recent statements and/or attempt to obtain 5500 information, and potentially utilize industry benchmarks based upon Plan size. **Clients should be aware that the use of benchmarks is based upon averages that are not specific costs and expenses of Client's employer sponsored plan.** Please note that certain low-expense investment options may be available through an employer's (or former employer's) retirement plan that would not be available to an IRA. Additionally, the Plan may provide low or no cost professional investment guidance services that are the same or similar to the Services provided by Krilogy. Please note there may also be other advantages to factor in when determining whether should remain at an employer's (or former employer's) Plan. A Client should weigh these other factors which included but are not limited to services and investment options received from both the Plan, a new employer retirement plan (if applicable), and Krilogy when making a determination on what to do.

The advisor will analyze the Plans investment options, services, and expenses versus Krilogy Fees and Services as well as consider factors specific to the Client, which include, but are not limited to the Services currently being provided by Krilogy; investment advice/education options and level of personalization currently provided on the client's Employer Sponsored Plan Assets both before and after employment termination and corresponding cost; client's current employment status and desire to remain connected to the employer; client options for the assets within the Employer Sponsored Plan, and personal preferences for how the client wishes the Plan assets to be managed. **The client should understand that leaving the client's assets in the former employer plan, moving it to the new employer plan, or client managed rollover to an IRA in almost all cases is less expensive than Krilogy's Fees to provide professional Services. Clients that choose to Rollover these assets are doing so despite the additional cost.** As a result, typically whether the Rollover is in the best interest of the client is not measured simply by the quantitative cost, but the amount, quality and ease of Krilogy Services as well as the personalized relationship that Krilogy and the client's Advisor provide and the corresponding qualitative value attach to those factors for the additional Fee paid to Rollover the Plan assets.

Custody Services

Krilogy does not provide qualified custodian services for Client accounts. Client accounts will be maintained at a financial institution of a qualified custodian. Clients generally provide Krilogy and/or certain independent managers with the authority to directly debit their accounts for payment of Services. The qualified custodians have agreed to send statements to clients not less than quarterly detailing all account transactions, including the amount paid to Krilogy. Clients will also receive written trade confirmations of securities transactions from the Qualified

Custodian. Krilogy provides a summary on a quarterly basis upon request; however, this information is based upon information fed by the custodian to the firm's internal software systems. Clients should review their account statements from their qualified custodian carefully and notify us immediately if an error or a discrepancy is detected from any Krilogy reports.

Financial Planning Provided Under Portfolio Management Services (exclusive of SMA Program): As a complement to Krilogy's Services described above, at the Advisor's discretion the Advisor will provide financial planning services under several formats at the client's specific direction. Typically, the financial planning is geared toward integrating a client's professional and personal life, but on limited occasions can be standalone financial planning or financial consulting services. There is not a specific asset under management minimum for which this would be offered. The client must request and the financial advisor must agree to provide such services. The financial planning services provided, may be specific or modular in their preparation (unique to each client in their depth of preparation). Topics included as part of the financial planning services can include, but are not necessarily limited to, the following:

- Personal: Organization of family records and assessment of family records, budgeting, personal liability, estate information, and financial goals
- Retirement Planning: Analysis of current strategies and investment plans to help the client achieve his or her retirement goals
- Education Planning: 529 Plans and general assistance in preparing to meet dependents continuing educational needs
- Long-term Care
- Risk Management & Insurance Planning: Cash needs at death, income needs of surviving dependents, and disability income analysis
- Debt Management
- Investments: Analysis of investment alternatives and their effect on a client's portfolio
- Tax & Cash Flow Planning: Income tax, spending analysis, and planning for past, current, and future years
- Estate Planning (this does not include legal advice, guidance or document preparation)
- Life Events

Information gathered includes a client's current financial status, future goals, and attitudes toward risk. Should a client choose to implement the recommendations contained in the plan, Krilogy suggests the client work closely with his/her attorney, accountant, and/or insurance agent. Implementation of financial plan recommendations is entirely at the client's discretion. Financial planning recommendations are of a generic nature and are not limited to any specific product or service offered by a broker-dealer or insurance company.

Sub-advisor Services

Krilogy through KPS provides investment management and portfolio construction services through model portfolio delivery. These models include an array of equity strategies, risk-based asset allocation models and target objective models ("Sub-advisory Services"). Sub-advisory

Service clients ("Sub-advisory Clients") may include entities such broker-dealer, investment advisory firms or other financial institutions (on behalf of their clients) ("Financial Institutions"), charitable institutions, foundation endowments, and registered investment companies. These Sub-Advisory Services are offered primarily through non-Krilogy financial advisors ("Outside Advisor") of these Financial Institutions who work with clients to examine the client's current financial situation and financial goals, to understand the risk tolerance and investment time horizon to develop an overall investment strategy. As part of the overall strategy the Outside Advisor assists the client in utilizing the appropriate equity strategy or risk-based asset allocation model. The accounts managed by the Outside Advisor are maintained with the client's Financial Institutions. As a result, KPS and Krilogy do not direct the Outside Advisor or Outside Advisor's client which Financial Institution to utilized or for which to execute the security transaction.

These Sub-advisory Services are offered either on a "discretionary" or a "non-discretionary" basis. However, there are distinct differences set forth below based upon whether Krilogy and KPS have discretionary or non-discretionary authority. Regardless of discretion, Sub-advisory Services are limited to portfolio management and do not include financial planning, wealth management, accounting, retirement planning, legal, tax advices or any other related or unrelated services. Krilogy and KPS negotiate and enter into agreements to provide discretionary SMA Services to clients with Financial Institutions and other third-party platforms. When KPS is providing discretionary Sub-advisory Services, which is typically referred to as separately managed account services ("SMA Services"), the Outside Advisor assists the SMA Client in opening an account at the Financial Institution to select third-party investment advisory firms (such as Krilogy and KPS) to manage all or a portion of the assets in the account. These SMA Services arrangements can be "single contract," in which Krilogy enters into contract with the Financial Institution to provide discretionary SMA Services to the SMA Clients of such Financial Institution, or can be "dual contract," in which Krilogy enters into a contract directly with the client to provide SMA Services to the SMA Client, which is in addition to the SMA Client's contractual agreement with such Financial Institutions. Regardless, the Outside Advisor is responsible for assisting the SMA Client with selecting the appropriate strategy or risk-based asset allocation model. Krilogy and KPS rely upon the client's Financial Institution's representation of which KPS strategy is appropriate.

When Krilogy maintains discretion of an SMA Client's account, Krilogy is granted the authority by the SMA Client to determine the securities or other assets to purchase or sell in the account. This discretion will remain in effect unless revoked by the SMA Client or the Outside Advisor. Krilogy will monitor the SMA Client's account and purchase and sell securities and other assets in the account consistent with the strategy/strategies and/or risk-based asset allocation models selected by the SMA Advisor on behalf of the SMA Client. As part of the SMA Client's overall investment plan. The SMA Client through the Outside Advisor may provide reasonable restrictions in writing to Krilogy. However, despite providing reasonable restrictions, Krilogy reserves the right to decline the management of the SMA Client even if the restrictions are reasonable.

In a non-discretionary account, KPS makes recommendations to Financial Institutions and its Outside Advisor concerning securities and other assets, but KPS does not have the authority to implement such recommendations. The Outside Advisor, on behalf of their client, has the sole authority to determine whether securities or other assets in the account are purchased or sold on the client's behalf in accordance with KPS recommendations and to determine the Financial

Institution through which such transactions are implemented. As a result, the non-discretionary Sub-advisor Services typically take the form of model portfolios, which represent Krilogy's recommendations as to the composition of a portfolio of securities that would be reasonably appropriate to meet a stated investment objective based upon criteria provided by the client to their Financial Institution. Krilogy and KPS's role is solely to provide to these Financial Institutions recommendations as to the securities composing the portfolio and advice on changes to the portfolio. Any non-discretionary model services provided are provided to the end client's Financial Institution, whom makes an individual determination on whether the services are in the best interest of the client. The Financial Institution will utilize these recommendations in managing the accounts of the clients of the Financial Institution. The Financial Institutions retain full discretion to accept, modify or reject Krilogy and KPS's recommendations and retain trading authority over their client's accounts.

The model portfolios for non-discretionary Sub-advisory Services clients are similar to the portfolios of SMA Clients with the same investment strategy. Due to the difference in discretion and corresponding management between SMA Clients and non-discretionary Sub-advisor Services clients, performance difference are expected to occur because Krilogy and KPS do not have trading discretion over the model portfolios as well as the Sub-advisory Service's Client's Financial Institution's full discretion in incorporating none, some or all of Krilogy and KPS's model recommendations. Differences are also likely to occur based upon the Financial Institution setting drift thresholds from Krilogy and KPS directed model target allocations in order to minimize trades and trade costs. Regardless of whether the Sub-advisory Services are offered discretionarily or non-discretionarily, some direct Krilogy Clients utilize the same KPS risk-based asset allocation models as part of Krilogy Services to them.

Krilogy and KPS indirectly manage assets for Sub-advisory Services Clients that are employee benefits plans or retirement accounts covered under the Employee Retirement Income Security Act of 1974, as amended ("ERISA") and the Internal Revenue Code (the "IRC") as further outlined in the Retirement Account section above.

Financial Planning & Consultation Services Only²

While Krilogy and its advisors do not typically provide one-time Financial Planning & Consulting Services Only, in rare cases, Krilogy and the advisor may agree to do so for an hourly or flat fee. These financial planning services may include, but are not limited to: investment/financial consulting, life insurance; tax concerns; retirement planning; college planning; debt/credit planning and investment/portfolio recommendations. The written financial plans or financial consultations rendered to clients usually include general recommendations for a course of activity or specific actions to be taken by the clients. These services are provided under a Financial Planning Agreement. Financial Planning and Consulting Services provided under a Financial Planning Agreement do not include continuous investment and financial advice and are deemed completed upon provision of the agreed upon financial planning output. The client is responsible for implementing and monitoring any investment/financial consulting provided.

² Exclusive of SMA Services

Corporate Employee Benefit Retirement Consulting and Management Services

(K) Plans, a division of Krilogy also provides advisory services to retirement plans using the third-party administration services of certain retirement plan service providers. For such clients, Krilogy is engaged by plan fiduciaries to provide both fiduciary and non-fiduciary investment management and advisory services that include but are not limited to plan consulting, participant education and enrollment, investment policy statement development assistance and investment menu selection, and performance monitoring. Krilogy may act under the Employee Retirement Income Section Act ("ERISA") as either a 3(38)-investment manager or a 3(21)-investment advisor to a variety of retirement plans.

As a Section 3(21) investment advisor, Krilogy is responsible for making investment recommendations to the plan regarding the fund options made available to plan participants. The plan fiduciaries are ultimately required to exercise their discretion to act upon the investment recommendations made to Krilogy.

As a Section 3(38) ERISA investment manager, Krilogy is responsible for determining the appropriate investment options available to plan participants and provides those options to the third-party administrator and qualified custodian so that they may be available to plan participants. Krilogy performs ongoing monitoring of investment options and implements changes as necessary. Consent of the Plan for investment option changes is not required. Plan fiduciaries will be given notice of changes to existing allocations and/or menu choices; however, Krilogy will implement those changes as promptly as possible in coordination with the third-party administrator and plan custodian.

Krilogy may also provide certain plan participant enrollment and educational services. These services are non-fiduciary consulting services. The educational presentations provide assistance to plan participants in how to evaluate their specific goals, objectives, and risk tolerance to identify an asset allocation that best suits their goals as well as understanding how asset allocation affects investment results. Krilogy may also provide non-fiduciary consulting services that include facilitating benefit committee meetings and consulting on industry trends.

Krilogy provides investment management and investment consulting services to large institutional clients, endowments, foundations, and charitable organizations as well.

Wrap Fee Program

In 2019, Krilogy implemented a Wrap Fee Program exclusively for a specific advisor and his clients who joined the firm. These clients were previously enrolled in a similar program. In this program, Krilogy, through the advisor acts as a portfolio manager for and sponsor of a wrap fee program which utilizes a specific investment philosophy to predominantly invest in individual company securities. The program is designed for the client to pay one stated fee that includes management fees, most trading/transactions costs, and other administrative fees. Clients that are not in the Wrap Fee Program can incur transaction and other trade costs associated with the purchase and sale of securities in the management of the client's investment portfolios. However, this Brochure describes non-wrap fee advisory services. Clients utilizing Krilogy's Wrap Fee Portfolio management should review the separate Wrap Fee Program Brochure. Krilogy manages the investments in the Wrap Fee Program but does not manage those wrap fee accounts

any differently than it would manage non-wrap fee accounts. Fees paid under the Wrap Fee Program will be given to Krilogy as a management fee.

Krilogy does not actively solicit the Wrap Fee Program to any other clients beyond the specific advisor's clients referenced above. Given the cost from Krilogy's fee perspective of two percent (2%) this is generally a more costly program than the Services offered in this Brochure for the Fees discussed in Item 5. While Krilogy does not actively solicit this program, the firm would allow a client to request whether it should be considered as part of the Services provided. An important factor to consider is the amount of individual trading activity in the client accounts and the corresponding brokerage commissions and transaction costs that would be charged depending upon the security. These costs would also be impacted by the advisor and Krilogy's ability to aggregate trades. Other factors to consider include the costs and availability of services, if provided separately, which in turn depends on the prices and specific services offered by different providers. Clients also may experience different performance results or tax consequences from what when purchasing the investment separately or through another broker-dealer or investment advisor.

Separately, Krilogy recommends the use of AQR Capital Management's Flex SMA strategy to limited ultra-high net worth clients as a tax savings strategy. AQR requires Krilogy's clients invest in this strategy in a Wrap Fee structure. AQR is the manager and sponsor of this Wrap Program through Fidelity. However, Krilogy treats the recommendation of AQR's strategy as no different from recommending an SMA or ETF under this Brochure and does not utilize a Wrap Program for participating clients' accounts. However, to comply with AQR's requirements, the assets invested in this strategy are separated and the client is provided AQR's management brochure.

Insurance and Other Services

Krilogy and its financial advisors may recommend changes or additions to a client's health, life, disability, or long-term care insurance coverage as part of financial planning. This service is complimentary and the client is free to follow or decline such recommendations. In those instances where a client elects to purchase the recommended insurance policy, they can do so through Krilogy and the advisor, acting as a licensed insurance agent, or an outside insurance broker. **The purchase of insurance is separate and apart from the Services provided under the Agreement between with Krilogy and the Services set forth in the Wrap Fee Program. Krilogy and the advisor has a compensation conflict of interest as any purchase of insurance coverage results in additional compensation beyond Fees charged. The compensation is paid to Krilogy and the advisor by a separate insurance provider in the form of commissions related to the premiums of the insurance product sold. Advisors also receive cash (e.g., money) and non-cash awards (e.g., trips) from third-party vendors for aggregate insurance sales.** Please see *Item 5 – Fees and Compensation, Other Forms of Compensation* for additional information regarding commissions received in connection with the sale of insurance products.

No Legal or Public Accounting Advice

While certain financial advisors are licensed attorneys or certified public accountants, Krilogy is not a law firm or a public accounting firm and our advisor would not provide legal or tax advice. However, the client may engage an affiliate Krilogy Tax Services under separate engagement to provide tax preparation and planning. The client may also engage KEP Law, LLC d/b/a Krilogy

Law, a separate and independent law firm that maintains affiliation through a common owner, to provide estate and business planning legal services under separate agreement.

Organizational Oversight

Krilogy has instituted various levels of oversight to ensure its professionals adhere to the firm's policies and procedures and standards of business conduct. The Strategic Planning Committee manages and supervises the overall strategic direction of the firm with input from the Board. It also manages and supervises the overall day-to-day business operations of the firm. Services are based on the recommendations of Krilogy and your Advisor. As part of the organizational oversight, your Advisor agrees to be legally responsible for following the firm's policies and procedures as well as any decisions made in your accounts.

Krilogy is comprised of an Investment Committee made up of senior leadership and advisors lead by its Chief Investment Officer. The Investment Committee believes in building portfolios to match the investor's ability and willingness to take risk and do so in a cost-efficient way. The Investment Committee provides a centralized decision-making process in the formulation of investment models that can be, but does not have to be, utilized by your advisor in providing Services. The Investment Committee establishes investment guidelines for formulating investment strategies. These policies help to formulate the oversight of client portfolios whether your advisor chooses to utilize the Investment Committee's investment models as part of your overall portfolio or not. Even so, because your investment advisor may operate independent of the Investment Committee and the firm's investment strategy offerings and is in best position to understand your specific needs, your Advisor has the final decision on any investment strategy in your accounts.

Your financial advisor monitors and evaluates those investments against your Investment Profile and Objective. Generally, a client's accounts are managed at the Household level with a Household portfolio objective. While each account could be managed in a different fashion, the focus is on the overall management of the household. The firm regularly supervises client accounts/portfolios utilizing predefined parameters for each Investment Profile and Objective to identify accounts/portfolios for further review, update and/or documentation to support the rationale for current management by your advisor. A client's account(s)

Item 5: Fees and Compensation

Methods of Compensation and Fees

Krilogy is required to describe our fees, other third party, and external expenses so the client will know how much they are charged and by whom for our advisory Services provided.

Direct Krilogy Clients: When client agree to work with Krilogy, clients will be charged fees ("Fees" or "Fee") for Krilogy's Service. The Fee is charged in advance at the beginning of each calendar quarter based upon the net asset value (market value based on independent third-party sources or fair market value in the absence of market value as provided by the qualified custodian and/or the issuer. See below in this Item for a more complete discussion. Client account balances on which Krilogy calculates Fees may vary from account custodial statements based upon

independent asset valuation and other accounting variances, including mechanisms for including accrued interest in account statements or timing of reporting. New accounts opened during a quarter will be charged a pro-rated fee for the remainder of the quarter which the account is incepted either at the beginning of the next quarter, or upon advisor request, at specific Fee pull dates during the quarter. Please note that Fees will include capital inflows and outflows (e.g., deposits and withdrawals) made during the quarter on a pro-rata basis at the next regularly scheduled billing cycle. This means that a client's Fee for an upcoming quarter could be zero if the credit for capital flows (withdrawals) is high enough. In the event a credit for capital flows is higher than the upcoming quarter's Fee, the client's Fee will be zero and the remaining credit will be deemed earned at the end of the quarter and not carry forward to future quarter Fees. In rare instances certain client accounts may be billed in arrears based upon quarter end market value.

Direct Krilogy clients are required to pay a minimum annual fee of \$3,750 regardless of the aggregate value of their accounts under our management or advisement (AUM/AUA), unless otherwise waived. This means that the Fee as a percentage of account(s) value(s) will be higher than 2.00%. In some instances, a Krilogy direct Client may pay a flat dollar Fee even after reaching our firm minimum for all AUM/AUA. The specific Fee schedule charged by Krilogy is established and agreed to in advance in the Investment Advisory Agreement with Krilogy.

Krilogy's Fees when based upon AUM/AUA, are not to exceed 2.00% except when the net asset value of the client's account(s) results in the calculation of the fee being less than the minimum annual fee, as further previously outlined. Krilogy maintains a number of Fee schedules that varied from blended and multiple flat percentage rate based upon Client's AUM/AUA to flat dollar fees. Generally, Clients pay Fees based upon a percentage of AUM/AUA. Fees for our Client's typically range from .50% to 1.50% depending on the size of client accounts and advisor's specific client practices for fees including negotiating fees and historically grandfathered fees for clients of advisors who joined the firm after the relationship was created. If the Fee is blended, this means the Fee is tiered and the Fee is calculated by applying a different fee rate to each corresponding range of the client's account balances making up the AUM/AUA. In limited cases, a client's Fee may be based upon an annualized flat dollar amount which is not based upon the client's account size. Finally, in certain cases, the client's Advisor may agree to cover the cost of income tax preparation, tax planning, and/or tax compliance services as well as estate and business legal planning services. However, this does not mean that the Fees charged by Krilogy include those services.

For certain clients who utilize Krilogy's Total Portfolio program for held-away accounts, described above in Item 4, the Fee for these accounts is deducted from an account under Krilogy's management or paid directly by the client on a quarterly basis. Fees from Services for these held-away accounts will include the assets within these held-away accounts and are charged according to the valuation of the accounts at the close of the quarter. A client acknowledges that for these held-away accounts, order management will be performed utilizing the firm's investment management software.

For certain client relationships, where the client and advisor decide to utilize an SMA described in Item 4, the fees and expenses charged by SMA(s) are separate and distinct from those Fees charged by Krilogy and are withdrawn from the client's account by the SMA under separate agreement. Krilogy does not receive any fees or payments from SMA(s). These fees charged by

SMAs are similar to those expenses and fees that would be charged by Mutual Funds and ETFs as further outlined below. Additionally, Krilogy's Fee is separate and distinct from any internal fees and expenses in the mutual funds, ETFs to their shareholders, transaction charges, or spreads charged by the custodian that are more fully laid out below.

Fee Discretion: Krilogy's Fees are negotiable upon request and at the sole discretion of Krilogy and the financial advisor. However, there are limitations based upon the number and types of negotiated Fee schedules entered into the firm's systems. The financial advisor receives a portion of the Fee. Typically, the negotiated portion comes directly off the advisor's portion he/she receives as compensation for Services provided. As a result, the financial advisor has a financial incentive not to negotiate the Fees. If the client does not attempt to negotiate that client's Fee may be higher than what other similarly situated clients pay for Services.

Krilogy encourages clients to use the blended fee schedule. Krilogy encourages clients to review the Fee with the client's Advisor on an annual basis. Although personalized to a particular client situation, all clients, regardless of Fee receive the same or similar services, albeit from different advisors who have different levels of experience and expertise. However, typically, the time dedicated by an advisor to a particular client and the complexity of the Service goes up as the clients AUM/ AUA increases.

For the purposes of calculating the client Fee, the net asset value of the account will include accrued interest earned on securities, e.g., bonds held in the client account, cash balances, and/or investments in money market funds, short-term investment funds, CDs in addition to other securities in the account(s), unless negotiated or agreed to otherwise. It is Krilogy's position that management of cash balances, brokered CDs and short-term and intermediate-term treasuries is investment management that requires skill and expertise and factors into the overall management of a client's account(s). Accrued interest means the amount of interest a client will be paid on the next coupon date based upon the holding period of the security in the account at the time the Fee is calculated. As it relates to margin, the firm does not increase the balance of client account(s) by any margin balance and therefore does not include margin balance in the client's overall management Fee calculation. Additionally, the firm uses the trade date and not the settlement date of securities purchased or sold from the account and reports the same within client statements. This means that the value of securities with trade dates on the last day of the calendar quarter would be used for calculation of Fees. Finally, for certain private fund investments (i.e., alternative investments), these securities may not be priced or valued on a daily basis because of the illiquid nature of the securities and, as a result, may not have an updated value as of the market close on the last day of the previous quarter. The portion of quarterly Fees calculated based upon the value of those securities will be charged based upon the most recent updated valuation. Krilogy may rely upon data received directly from the private fund and not the data it receives from the clients qualified custodian. This can result in some variance between the value of client's accounts reported by custodians and the value utilized for Krilogy's Fee billing purposes.

Generally, client account(s) within the same physical household will be grouped with other advisory accounts with Krilogy under one Agreement. Upon request by the client to Advisor, accounts of people related to the client who meet certain criteria may be held in the same pricing group. This request is required for two reasons. First, Krilogy does not have the ability to identify

potential relatives without the client's help. Second, each account must have the same blended Fee structure in order to "house-hold" members. It is important to understand that if Krilogy "house-holds" accounts, while Krilogy does not provide this information, all clients in the house hold would potentially be able to calculate potential AUM of those other "house-held" members based upon the blended Fee rate charged to them. Krilogy's policies on pricing groups may be amended from time to time.

Clients may terminate their contracts with 30 days written notice pursuant to the terms of the Agreement. The point of termination is considered the thirtieth (30) day after written notification. In the written request to terminate the Agreement, Clients may also request a refund of Investment Management and/or Supervisory Fees paid in advance for that quarter. Should such a request be made, Krilogy will endeavor to rebate any unearned Fees in the quarter of termination within a reasonable time not to exceed 30 days of request. Otherwise, Krilogy will rebate any Fees within ninety (90) days of the date of termination in coordination with its Fee billing processes. Refunds will be given on a prorated basis, based on the number of pre-paid days remaining in a quarter at the point of termination. During the notice period, Krilogy's Services will be limited to taking actions on a non-discretionary basis based upon approval of the Client.

If the client terminates and sells the assets in the account, proceeds will be available upon settlement of the trades generated to complete the liquidation. Settlement is one to three business days, with the exception of illiquid alternatives following the trades depending upon the type and issuer of the security. Because bond markets may be less liquid, these investments may be more difficult to liquidate, especially during periods of extreme market volatility. Therefore, a client may experience delays or adverse price fluctuations when liquidating these securities. Account liquidation will cause a taxable event for taxable accounts where the client has accrued a capital gain as well as additional fees and expenses.

Clients may terminate their contracts without penalty, for full refund, within 5 business days of signing the advisory Agreement. Advisory Fees are withdrawn directly from the client's accounts with client written authorization. Termination of an agreement will not affect (a) the validity of any action previously taken by Krilogy under the Agreement, (b) liabilities or obligations of the parties from transactions initiated before termination of the Agreement, or (c) the client's obligation to pay advisor Fees (pro-rated through the date of termination to include thirty (30) days' notice period).

Sub-Advisory Service Fees

The annual fee for Sub-Advisory Services, is charged on a quarterly basis, either in advance, arrears or monthly basis, and is based on a percentage of assets managed under the Sub-Advisory Agreement and typically ranges from .20% to 1.00% per annum depending upon the strategy or risk-based asset allocation model.

Krilogy's Fee to Sub-Advisory Clients is separate and distinct from any internal fees and expenses in the mutual funds, ETFs to their shareholders, SMA fees in the client account, transaction charges, or spreads charged by the custodian that are more fully laid out below.

Financial Planning Only Fees

Depending upon the scope and complexity of the engagement, the hourly fee for these services is between \$250 and \$400. Krilogy may also agree to financial planning services on a flat fee basis. The fees are negotiable and the final fee schedule will be identified within the Financial Planning Agreement. Fees are paid in arrears upon completion. Because fees are charged in arrears, no refund is necessary. Clients may terminate their contracts without penalty within five business days of signing the advisory contract.

Employee Benefit Retirement Plan Services

The annual fee for Krilogy Retirement Plan Services ("K Plans"), is charged on a quarterly basis, either in advance, arrears or monthly basis, and is based on a percentage of assets within the plan and typically ranges from .20% to 1.00% per annum. The annual fee will be based upon a number of factors including the size of the plan, the number of participants, the number of locations as well as the method of employee education and services required. Fees are typically tiered and the fee is calculated by applying a different fee rate to each corresponding range of the plan's account balance. Generally, the annual fee for plan services will not be higher than Krilogy's standard fee schedule for accounts set up through the retirement plan service providers. Additionally, in most cases the retirement plan service provider or administrator calculates the fee and issues a draft payable to Krilogy for these services.

Third-Party Fees: Management fees, Internal Fees and Expenses

As referenced above, clients are responsible for the payment of all third-party fees (i.e., custodian fees, third-party manager fees, mutual fund fees, etc.). Those fees are separate and distinct from the Fees and expenses charged by Krilogy. Client will not see a separate entry on account statement(s) showing these fees and expenses. In certain cases, Krilogy models utilize non-institutional share classes, but consider several factors when selecting a mutual fund share class, which may include but is not limited to the eligibility criteria set by mutual fund companies and the overall cost structure of the share class. Thus, the client should not assume they will be invested in the share class with the lowest expense ratio. Generally, in the case of mutual funds, Krilogy attempts to select institutional, advisory, fee-based share classes or load-waived A share classes, when available. Krilogy and its advisors do not receive money or compensation from these third parties for the internal fees and expenses charged.

Mutual funds and ETFs have internal management fees and ongoing expenses for operating the funds (internal fees and expenses) that are deducted from the fund's assets, which have the effect of reducing the fund's net asset value ("NAV"). The prospectus for each mutual fund and ETF will describe the internal fees and expenses. Internal fees and expenses are in addition to the Fee described above and vary depending on the particular mutual fund or ETF. Mutual fund and ETF expenses are described in each fund's prospectus. These expenses will generally include a management fee, other fund expenses, and possibly a distribution fee. A client could invest in mutual funds or ETFs directly without the services of Krilogy. In addition, if a client engages a third-party investment adviser to manage the client's account(s), the client will pay the fees and expenses set forth in the client's agreement with the investment adviser.

Krilogy may sell/liquidate securities at the beginning of the relationship with the firm that were purchased with or at the recommendation of a previously unrelated party. The sale or liquidation of securities could result in a taxable consequence or indirect impact on your tax status and potential tax strategies. In most cases, this would be in the form of realized capital gains or ordinary income. If the securities are mutual funds, certain mutual funds may also impose redemption fees if the mutual fund was only held for a short time (typically anywhere from 30 days to 12 months). The prospectus and statement of additional information will describe whether the fund company has a redemption charge and whether there are instances when the redemption fees will be waived. Such transactions would be affected without regard to tax consequences or redemption fees

Other Fees

Clients, including Institutional clients, will typically bear expenses in connection with account transactions and investment activities, including brokerage costs and securities transactions fees. Please see Item 12 below for more detailed discussion of brokerage expenses and practices.

Payment of Fees for Services

Krilogy will request authority from all clients to receive quarterly payments directly from the client's account(s) held by an independent qualified custodian. Clients must provide written limited authorization to Krilogy to withdraw fees from account(s) including directing which account(s) the fees are to be pulled. Fees are paid using the cash portion of the account which may include cash or assets invested in a money market fund. If there is insufficient cash or assets invested, Krilogy is authorized to sell a sufficient amount of securities to pay the Fee, which could result in tax consequences or securities redemption fees or brokerage transaction fees (see above Third-Party Fees).

At the sole discretion of Krilogy, the client may be allowed to pay the Fee from an alternate account or may be invoiced and billed directly with payments due before the fifteenth of the month following the end of the quarter.

Hourly Financial Planning fees are paid via check in arrears upon completion. Because fees are charged in arrears, no refund is necessary.

Comparing Costs and Expenses

It is important to understand that a client could forgo the Services provided by Krilogy and buy and sell many of the same securities either on their own in a broker-dealer account or through another investment advisor, broker, or agent not affiliated with Krilogy. In doing so, the client may pay sales charges or commissions, a portion of which would be paid to the agent or representative to the broker. Some financial advisors of Krilogy are also registered representatives of Saxony Securities, Inc. ("dually registered representatives") for the limited purpose of offering brokered variable annuity products for clients as appropriate. Saxony Securities is responsible for supervising these activities. Krilogy will not manage a client's securities accounts on a commission basis through Saxony. Saxony and Krilogy are unaffiliated.

Clients should be aware that the purchase of variable annuities through Saxony Securities results in the payment of a commission and involves a possible conflict of interest, as commissionable products can conflict with the fiduciary duties of a registered investment adviser. The sale of these products is on a suitability basis. Krilogy and its advisors seek to provide advice that is in the best interest of the client, but do not maintain a fiduciary obligation to its client in these sales. Krilogy seeks to reduce the potential compensation conflict by fully informing, herein that Krilogy does not intend to act as a fiduciary in those sales. Clients are in no way required to implement the plan through any representative of Krilogy in their capacity as a registered representative.

Clients can work with a registered representative or agent of a broker to buy and sell securities in their account, that registered representative will typically earn more in upfront fees and commissions. In the alternative, a fee-based financial advisor like Krilogy and its financial advisors will typically earn more over time. This may create a financial incentive and potential conflict of interest to the financial advisor who is registered both with Krilogy and Saxony Securities, Inc. The firm seeks to reduce that conflict through this disclosure, providing services on a level fee basis. See below for further discussion of Other Forms of Compensation/Insurance Commissions.

Other Forms of Compensation/Insurance Commissions

As part of complimentary Financial Planning Services, the client's advisor may identify insurance needs. Insurance services are non-advisory services that may be offered to the client through Krilogy Financial affiliate, Krilogy Advisors, and a client's Krilogy financial advisor, who is a state-licensed insurance agent working either directly with insurance companies or insurance brokers. Krilogy Advisors and the client's financial advisor who are licensed insurance agents will receive commissions for the sale of insurance products, including those recommended to Krilogy clients **in addition to** Fees paid for Services provided. Advisors also receive cash and non-cash awards (e.g., trips) from insurance companies and brokers for aggregate insurance sales. This presents a compensation conflict of interest to recommend the purchase of insurance products. See Items 4 and 10 for more in-depth discussion on the service, relationship and conflicts. Krilogy's Fees will not be reduced to offset the payment of insurance commissions to Krilogy Advisors or the Krilogy financial advisor. Actual commissions vary by client specific to health variables of that client and depending upon, among other things, the type and value of the policy purchased, as well as the issuing agency or insurance company or insurance broker incentives.

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

Krilogy does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

Item 7: Types of Clients

Krilogy generally provides Services to a wide variety of clients, including:

- Individuals
- High-Net-Worth Individuals
- Qualified Retirement Plans
- Corporations or Business Entities
- Charitable Foundations and not-for-profit endowments

Krilogy can decline to provide Services for any reason, including if we do not believe the client's desired investment strategy is appropriate for the client. As a general rule, clients should not engage Krilogy's Services if they want to engage in day trading (e.g., market timing) or wish to actively trade in their accounts on their own.

Minimum Account Size: Krilogy does not have an explicit account minimum size and instead has established a \$3,750 minimum annual fee/ \$937.50 quarterly until the calculated Fee set forth in Item 5 on the client's AUM with Krilogy surpasses the minimum fee. However, a client whom does not meet the account minimum will be required to pay the minimum annual fee for Services. Krilogy monitors the total value of the client account(s). If the value falls below the initial investment minimum, Krilogy may, in our discretion, discontinue Services.

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

Krilogy's investment philosophy is comprised of the belief that asset allocation and security selection are the main drivers of long-term portfolio expected risk and returns. Krilogy is comprised of an Investment Committee made up of the Investment Strategy Team, Investment Research Team, and Senior Advisors Wealth Advisors; led by its Chief Investment Officer. Broadly, the Investment Committee is responsible for formulating the overall direction of the firm's investment philosophy, portfolio parameters, and policies and oversight parameters that the client's advisor agrees to follow.

The Investment Strategy Team manages the firm's investment models; within the parameters set by the Investment Committee, which may be utilized by the client's financial advisor. The client's financial advisor monitors and evaluates investments, including the selection and use of the firm's models within the client account(s), to ensure conformity with the client's Investment Profile and Objective. The firm monitors the Advisor's overall management of client portfolios. However, the client's advisor is ultimately responsible for determining whether changes need to be made, even upon alert from the firm's monitoring, because the client's Advisor is in the best position to understand the client's individual needs.

Methods of Analysis

Krilogy and its financial advisors' methods of securities analysis may include varying degrees of Quantitative, Qualitative, and Technical Analysis. The inclusion of any and/or all of these methods is specific to the client's financial advisor.

- Quantitative Analysis: Krilogy utilizes a quantitative approach based on historical market information and academic research. For our application, Quantitative Analysis assumes

that the long-run risk/return profile of asset classes should be near the mean. Historical asset class risk/return profiles are used to derive asset allocations that meet client portfolio objectives. In the management of the firm's model portfolios, the investment strategy team utilizes a quantitative monitoring process for current portfolio securities to continue to meet the desired risk/return profile relative to its appropriate peer group. A narrower quantitative screen is used to identify investments for portfolio inclusion and/or replacement of an existing security, pending further Investment Strategy Team Due Diligence.

- Qualitative Analysis: Krilogy's qualitative analysis consists of due diligence of active managers and intermediate-term shifts within portfolio models that allow that discretion. The qualitative assessment of a manager consists of the evaluation of the process, members of the team, and historical portfolio metrics relative to its benchmark and peers. In firm models that permit discretionary shifts, the investment strategy team has the ability to implement various portfolio shifts based on current and/or expected macroeconomic and market expectations. The objective is to enhance the risk-adjusted return of the model portfolios through reduced volatility and/or upside capture.
- Technical Analysis: A discipline employed to evaluate investments and identify trading opportunities in price trends and patterns. The application of technical analysis assists in identifying appropriate levels for allocation adjustments within firm models, that permit such adjustments. More specifically, this form of analysis impacts the more actively managed models of the firm.

The main sources of information include both proprietary and third-party research and analytical tools, financial media, corporate rating services, annual reports, prospectuses, filings with the Securities and Exchange Commission, company press releases. Further research and due diligence practices are implemented by the Investment Advisor consistent with his or her specific investment process and implementation of the client's agreed upon investment strategy. The client should talk with his/her Advisor to understand his/her practices.

Investment Strategies

Generally speaking, our clients are clients with long-term investment success objectives. Long-term investment success means different things to different people. The investment strategy for a specific client is based upon the objectives stated by the client during consultations and in conformity with the client's Investment Profile and Objective(s).

Krilogy and the client's Advisor begin the investment planning process with a discussion over your values, goals, relationships, assets, types of accounts, advisors, preferred processes, and interests. While every client's situation is unique, certain factors should be considered in creating an investment plan. These factors include the purpose of the portfolio, its size, specific funding sources, how and when a client plans to use the funds, and the degree of uncertainty or risk a client is willing to accept in pursuit of their objectives. As Krilogy and the client's Advisor establish a clear vision of a client's goals and circumstances, the foundation for an investment strategy and approach that matches the client's needs as well as the realities of the financial markets can be established.

For each client, Krilogy engages in a risk assessment process as well. For many investors, their most important long-term goal is achieving financial independence. Most clients also have intermediate-term goals, such as funding college, education, travel, or vacation homes. Achieving these goals commonly requires some measure of risk since most investors need returns in excess of inflation to meet their goals. Risk is multi-faceted and requires a number of aspects to be accounted for that include:

- A client's ability to take risk, which is commonly a function of the time horizon of the client's investment objectives. Longer time horizons lend to a more aggressive investment objective and strategy because a long-time horizon gives the portfolio more time to recover after periods of poor performance.
- A client's willingness to take risk measures a client tolerance for risk, which is commonly measured by the amount of portfolio loss a client willing to take before a client seeks to change its portfolio strategy.
- A client's need to take risk to achieve success on his/her investment objective.
- A client's sensitivity to portfolio performance relative to well-known benchmarks and indices. While Krilogy encourages clients not to constantly compare portfolio returns to benchmark returns because it can lead to counterproductive, return-chasing behavior, Krilogy does not ignore the tendency for some investors to make this comparison.

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

Risks of Specific Securities Utilized

Krilogy primarily utilizes individual equities, bonds, mutual funds, and ETFs for client accounts. For specific clients it may also utilize more complex alternative investments that include non-registered investments, semi-liquid to illiquid investments, and structured products as well as certain options trading strategies. The values of these securities will fluctuate due to various market conditions and other factors including but not limited to liquidity, currency, economic, and political risks. Market movements and conditions, particular recommendations, and other factors may result in significant differences between the account performance and any goals set forth in the Investment Profile and Objectives or otherwise made known to Krilogy.

All investment strategies and investments involve risk, and the value of your account will fluctuate in value. As a result, your account may be worth more or less than the amount of money you invested. Diversification does not guarantee a profit or protect against a loss. You should consider the investment objectives, risks, charges, and expenses of each security before deciding to engage in Krilogy's Services. Because of the inherent risk of loss associated with investing, the firm is unable to represent, guarantee, or even imply that our Services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines. There is certain additional risk associated when investing in securities.

- **Market Risk:** Either the stock market as a whole or the value of an individual company as a result of moves in the overall market goes down resulting in a decrease in the value of client investments. This is also referred to as systemic risk.
- **Equity (stock) Market Risk:** Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change.
- **Company Risk:** When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.
- **Fixed Income Risk:** When investing in bonds, there is the risk that the issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk. Along with the broad fixed income market risks accompany the security-specific risks below:
 - **Credit Risk:** The risk that an issuer may not meet its obligation to pay interest and/or principal payments when due. If this occurs, the value of the security may fall significantly. The lower the credit rating lies the greater the risk an issuer may default on its obligation.
 - **Interest Rate Risk:** A change in the overall interest rate structure will reduce the market value of the bond.
 - **Reinvestment Risk:** The risk that cash flows received from a current fixed investment will earn less when put in a new investment. Callable bonds are especially vulnerable.
- **Options Risk:** Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.
- **Margin Risk:** While Krilogy does not recommend margining securities as a part of its investment strategies, a client may choose to utilize margin. When you purchase securities, you may pay for the securities in full or borrow part of the purchase price from your account custodian or clearing firm. If you intend to borrow funds in connection with your account, you will be required to open a margin account, which will be carried by the qualified custodian. The securities

purchased in such an account are the qualified custodian's collateral for its loan to you.

If those securities in a margin account decline in value, the value of the collateral supporting this loan also declines, and as a result, the broker firm is required to take action in order to maintain the necessary level of equity in your account. The brokerage firm may issue a margin call and/or sell other assets in your account.

Some of the risk involved in margin trading include the following:

- You can lose more funds than you deposit in your margin account.
 - The account custodian or clearing firm can force the sale of securities or other assets in your account.
 - The account custodian or clearing firm can sell your securities or other assets without contacting you.
 - You are not entitled to choose which securities or other assets in your margin account may be liquidated or sold to meet a margin call.
 - The account custodian or clearing firm may move securities held in your cash account to your margin account and pledge the transferred securities.
 - The account custodian or clearing firm can increase its "house" maintenance margin requirements at any time and they are not required to provide you advance written notice.
 - You are not entitled to any extension of time on a margin call.
- **ETF and Mutual Fund Risk:** When we invest in an ETF or mutual fund for a client, the client will bear additional expenses based on its pro-rata share of the ETF or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. Clients will also incur brokerage costs when purchasing ETFs. In some instances, the firm utilizes mutual funds issues by Dimensional Fund Advisors (DFA). DFA funds are generally only available through registered investment advisers approved by DFA. If you terminate our services to you and self-manage your accounts(s) or transition to another adviser who has not been approved by DFA to utilize DFA funds, restrictions regarding additional purchases of or reallocation among other DFA funds will generally apply.
 - **Tax Harvesting Risk:** One trading strategy that has been employed by certain financial advisors in client accounts is tax harvesting. The intent of this trade is to sell an ETF or mutual fund at a taxable loss and replace those positions with a holding whose historical performance and expected future performance are similar, thereby having little impact on the overall strategic allocation, but

capturing the tax loss. Because past performance is no indication of future performance, there is potential for the future performance of the replacement position to deviate from that of the initial holding. This type of strategy may also incur an increase in the frequency of trading and the amount of transaction costs. You should discuss this with your financial advisor.

- **Alternative Investment Risk:** Alternative investment may be recommended in specific circumstances. These investments are susceptible to many of the same risk as other securities, but also include characteristics and risks related to liquidity, transparency, taxes, and fund valuation which are disclosed in the offering documents.
- **Management Risk:** Your investment with the firm varies with the success and failure of our and your Advisor's investment strategies, research, analysis, and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment will decrease.
- **Sub-Advisor Risk:** The firm may use sub-advisors to manage some or all of certain client's portfolios. The Sub-Advisor will have discretionary authority to buy, sell, exchange, and otherwise trade securities within the client account. The investment strategies of the Sub-Advisor will be disclosed in their Disclosure Brochure. (ADV Part 2A).

Past performance is not a guarantee of future returns. Investing in securities involves a risk of loss that a client should be prepared to bear.

Cybersecurity

The computer systems, networks and devices used by Krilogy and service providers to us and our clients to carry out routine business operations employ a variety of protections designed to prevent damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons, and security breaches. Despite the various protections utilized, systems, networks, or devices potentially can be breached. A client could be negatively impacted as a result of a cybersecurity breach.

Cybersecurity breaches can include unauthorized access to systems, networks, or devices, infection from computer viruses or other malicious software code, and attacks that shut down, disable, slow or otherwise disrupt operations, business processes or website access or functionality. Cybersecurity breaches may cause disruptions and impact business operations, potentially resulting in financial losses to a client, impediments to trading, the inability by us and other service providers to transact business; violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs, as well as the inadvertent release of confidential information.

Similar adverse consequences could result from cybersecurity breaches affecting issuers of securities in which a client invests; governmental and other regulatory authorities; exchange and other financial market operators, banks, brokers, dealers and other financial institutions and other

parties. In addition, substantial costs may be incurred by these entities in order to prevent any cybersecurity breaches in the future.

Market Disruption, Health Crises, Terrorism and Geopolitical Risk

Krilogy is subject to the risk that war, terrorism, global health crises or similar pandemics, and other related geopolitical events increase short-term market volatility and may have adverse long-term effects on world economics and markets generally. These risks have previously led and may lead in the future to adverse effects on issuers of securities and the value of client's investments. This risk can increase exposure to a number of other risks described elsewhere in this section can increase.

Item 9: Disciplinary Information

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of this advisory business or the integrity of our management.

Item 10: Other Financial Industry Activities and Affiliations

Krilogy is an independent investment advisory firm and provides investment advisory services and other ancillary services described below. The firm does not have an affiliated broker-dealer, is not engaged in any other business activities, and offers no services other than those described in this Disclosure Brochure.

The following is a summary of Krilogy's material relationships or arrangements with other entities that participate in the financial industry:

Affiliated Private Funds:

Krilogy is affiliated with Krilogy Capital Management Partners, LLC, (the "Bond Fund General Partner"), a North Carolina limited liability company, who serves as the general partner of the KCM Tax-Advantaged Total Return Bond Fund, LP. (the "Bond Fund Partnership") and Krilogy Capital Management, LLC (the "Bond Fund Investment Manager"). However, Krilogy Capital Management Partners, LLC decided to liquidate the Bond Fund Partnership at the end of 2023 and is in the process of winding up all operations.

Krilogy is affiliated with Krilogy Capital Management Partners II, LLC, (the "Equity Fund General Partner"), a Missouri limited liability company, who serves as the general partner of the KCM Catapult Large Cap Growth Equity Fund, LP. (the "Equity Fund Partnership") and Krilogy Capital Management II, LLC (the "Equity Fund Investment Manager").

Under the Equity Fund Partnership Agreement, the General Partner is primarily responsible for the management of the Partnership. The General Partner has delegated the investment management responsibilities for the respective Partnership to the respective Investment Manager. The General Partners and Investment Managers of the respective Partnership are not registered as an investment adviser under the Investment Advisers Act of 1940 as amended (the

“Advisers Act”). The Partnerships are not registered as an investment company under the Investment Company Act of 1940, in reliance upon Section 3(c)(1) thereof. Both the Equity Partnership investments are only suitable for sophisticated investors (a) who do not require immediate liquidity for their investments, (b) for whom an investment in the Partnership does not constitute a complete investment program, and (c) who fully understand and are willing to assume the risks involved in the Partnership’s investment program.

For those Clients where the Equity Partnership may be suitable, Krilogy and its advisors may recommend holding the Partnership in the Client’s portfolio as part of its Service. While the Equity General Partner of the Partnership does not charge a management fee with respect to the Partnership investment, the General Partner will receive an annual performance profit allocation on the last date of each fiscal year (the “Performance Allocation”) to the Partnership should it meet the requirements as set forth under the Partnership’s Private Placement Memorandum (“PPM”). **Any Client that invests in the Partnership’s return on the investment will be impacted by the Partnership’s payment of the Performance Allocation. The Performance Allocation is in addition to Krilogy’s Fees charged for the holding of the Partnership in the client’s portfolio under Krilogy’s management.** However, the Partnership charges a reduced Performance Allocation for those Krilogy clients that hold the Equity investment in their portfolio under Krilogy’s management. **The Equity Fund values are included in the Fees Krilogy charges to clients holding these securities.** The above disclosures regarding the Partnership are not an offer to sell or the solicitation of an offer to buy the respective Partnerships. You should fully review the PPM carefully before investing in the Equity Fund Partnership. Clients are advised to consider the investment objectives, risk, charges, and expenses before investing.

Certain General Partners in Krilogy also maintain an ownership interest in the Equity General Partner and the Investment Advisor to the Partnerships. These individuals will receive a pro-rata portion of the Performance Allocation, to the extent there is one, which **creates a potential conflict of interest for Krilogy because certain representatives and agents that maintain common ownership and control in Krilogy and the Equity Fund General Partner have an incentive to recommend the purchase of the Equity Fund Partnership versus another investment to clients due to the potential increased compensation received.** Krilogy seeks to mitigate this conflict through disclosure in the Brochure, separate disclosure clients are required to sign to invest, and additional policies and procedures designed to review suitability of the investment to the client. Outside of the certain Partners of Krilogy and the General Partnership, other Krilogy advisors do not receive additional compensation beyond the Fees discussed in Item 5 for recommending any security including Limited Partnership in the Equity Fund. While there is no conflict in the way of additional compensation, the client’s advisor may still have a potential conflict of interest in the recommendation of these investments due to his/her interpersonal relationships with those Krilogy general partners who have the compensation conflict. Krilogy has sought to remove any potential conflict by removing any additional compensation potential as well seeking to have its advisors honor their fiduciary duty to do what is in the best interest of the client. Clients interested in investing in the Partnership receive a disclosure document setting forth the potential conflicts and affiliations for review and execution.

Finally, Krilogy and the Equity Fund Partnerships share certain office space, accounting personnel, trading desks and personnel, and many other critical functions including management.

Affiliated Accounting and Tax Planning Services – Krilogy Tax Services, LLC:

Krilogy is under common ownership with Krilogy Tax Services, LLC. (“Tax Services”). Krilogy Tax Services provides tax planning and preparation services. Clients needing assistance with tax preparation and/or accounting services may be referred to Krilogy Tax Services to work with a licensed Certified Public Accountant. **Please note that while a Krilogy financial advisor may maintain the education and credentials of a Certified Public Accountant (CPA), the financial advisor cannot provide tax preparation and tax planning advice beyond general tax planning resulting from financial and investment planning.**

These services may be offered to both Krilogy clients and non-clients under separate engagement at an additional cost to Krilogy’s Fees. Clients are advised of the additional costs at initial engagement. Because of the affiliation with Krilogy Tax Services, LLC, our recommendation of the company is not independent and we have a conflict of interest when recommending Krilogy Tax Services, LLC. Clients are never obligated to use the Tax Services.

Legal Activities:

KEP Law, LLC is separate and independent law firm. It is affiliated through common ownership of a partner to Krilogy, but is not controlled by Krilogy. KEP Law, LLC primarily provides business and estate planning legal work to both Krilogy and non-Krilogy clients under a separate engagement and fee. KEP Law, LLC is not a captive law firm of Krilogy. KEP Law, LLC subleases office space from Krilogy. KEP Law, LLC compensates Krilogy for the right to utilize the Krilogy name as a d/b/a (e.g., Krilogy Law) in its operations as well as access to the firm’s advisors and clients.

Clients of Krilogy may be referred to Krilogy Law for estate planning and other legal services. Due to the fact that they are related entities, this presents a conflict of interest as both firms have an economic incentive to refer clients to each other in lieu of referring clients to other law firms or financial professionals.

Although the Krilogy Law services may be recommended by a Krilogy Advisor, the client is never obligated or required to use their services. There are other law firms that provide legal services similar to those provided by Krilogy Law, and may provide such services for less expensive rates. Clients are encouraged to consider other law firms too before engaging Krilogy Law. A choice of a lawyer is an important decision and should be relied upon solely based on advertisements or recommendations from Krilogy and its financial advisor.

Krilogy Law may provide certain education and marketing events that provide an indirect benefit to Krilogy and its advisors. This creates a conflict of interest.

Insurance Activities:

Certain Krilogy financial advisors whom offer the sale of insurance are state-licensed insurance agents. Krilogy and Krilogy’s financial advisors provide individual life, disability and long-term

care coverage through various insurance companies and insurance brokers. Krilogy and Krilogy financial advisors whom are licensed insurance agents receive commissions for the sale of insurance products, including those recommended to Krilogy clients. The receipt of insurance commissions is in addition to any Krilogy advisory Fee charged to you by Krilogy. **Clients should be aware that these services pay a commission and involve a possible conflict of interest, as commissionable products can conflict with the fiduciary duties of Krilogy and its financial advisors whom are acting as insurance agents because it creates an incentive to recommend the purchase of insurance products that pay them commissions over other investments, insurance products that pay either lower or no commissions with other insurance companies, or no insurance products at all.** Krilogy and its advisors have received additional compensation and rewards for aggregate insurance premium sales from insurance companies/insurance brokers as well, which further incentivizes the sale of insurance product with one particular insurance company or broker.

Clients are never obligated or required to purchase insurance products recommended by Krilogy. Clients may purchase insurance products recommended by Krilogy through other agents that are not affiliated with Krilogy.

Broker-Dealer Activities:

Krilogy does not have an affiliated broker-dealer. Certain financial advisors of Krilogy are also registered representatives with Saxony Securities, Inc., a broker-dealer. While the financial advisor is a licensed registered representative to the broker-dealer, he or she maintains this licensing for the limited purpose of offering variable annuity products or Institutional Services as outlined in Item 4, when appropriate. Saxony Securities supervises the suitability of these products. Otherwise, Krilogy and its financial advisors do not offer Services as outlined in Item 4 above through Saxony Securities. Clients should be aware that these services pay a commission and involve a possible conflict of interest, as commissionable products can conflict with the fiduciary duties of a registered investment adviser. Krilogy strives to always act in the best interest of the client; including the sale of commissionable products to advisory clients. Clients are in no way required to implement the plan through any representative of Krilogy in their capacity as a registered representative.

Krilogy may utilize un-affiliated third-party money managers to assist in the management of client's assets. The compensation paid to these entities, as well as the fees and charges to the client will be outlined in the account documentation specific to the client. Krilogy would not receive compensation from these money managers. The third-party manager will have discretionary authority to buy, sell, exchange, and otherwise trade securities within the client account. The investment strategies of the third-party manager will be disclosed in their Disclosure Brochure (ADV Part 2A).

Krilogy may pay referral fees to professionals and/or organizations that refer clients or financial advisors to us pursuant to such arrangements. See Item 14 below for more information. Any such arrangement is structured in a manner designed to comply with the requirements of the Advisers Act.

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

Krilogy has adopted a Code of Ethics pursuant to Rule 204 under the Advisers Act for all supervised persons. Krilogy has established a Code of Ethics designed to govern employees and advisors (“associates”) in their interaction with clients and with access to certain client information. The firm’s Code is based upon the principle that Krilogy and its associates owe a fiduciary duty to our clients and resultingly follows the below guidelines:

- Act with integrity and in an ethical manner with you and all of our clients;
- Place your and all of our clients’ interests first and, if at all possible, avoid activities or interest that might interfere with making investment decisions that are in the best interest of clients;
- Avoid potential conflicts of interest and make sure they do not abuse the faith and trust you have placed in them;
- Comply with all applicable rules, regulations, and laws; and
- Do not use any material nonpublic information they may receive as a result of their employment with Krilogy.

The purpose of the Code is designed to preclude activities which may lead to or give the appearance of conflicts of interest, insider trading and other forms of prohibited or unethical business conduct.

All employees and advisors receive and attest to review and following of the firm’s Code of Ethics upon hire and at least annually.

For a subset of supervised persons called access persons, trading is monitored for compliance with the Code of Ethics, and to reasonably prevent conflicts of interest between Krilogy and its Clients. All personal securities transactions of such access persons shall be conducted in a manner as to avoid any actual or potential material conflicts of interest or any abuse of a position of trust and responsibility, or operate as a deceit. Given the size of our non-institutional clients, trading in the same securities as those clients is not seen as a material conflict of interest, regardless of whether the employee is an access person. To supervise compliance with the Code of Ethics, access persons are required to provide electronic feed access to their securities accounts on an ongoing basis and follow Code of Ethics policies regarding the timing and placement of trades. Particular focus is given to trading in securities that are a part of the firm’s models.

Krilogy’s Code of Ethics further includes the firm's policy prohibiting the misuse of material non-public information and protecting the confidentiality of client information. Krilogy requires that all individuals must act in accordance with all applicable federal and state regulations governing registered investment advisory practices. Any individual not in observance of the above may be subject to discipline.

Participation or Interest in Client Transactions:

Clients should know that Krilogy associates and/or their family members are permitted to buy or sell securities for themselves that are also recommended to clients. Securities recommended by

the firm are widely held and publicly traded. In accordance with its fiduciary duty to clients, Krilogy and its associated persons will place client interests ahead of their own interests. We have developed policies and procedures that require our employees to submit their personal securities holdings and transactions to our Firm. This is done so that we can monitor their investments to ensure compliance with our Code of Ethics and our general fiduciary duty to clients.

This section is intended to be a summary of Krilogy's Code of Ethics. Clients may request a copy of our Code of Ethics by request to your financial advisor.

With the exception of those security and affiliates identified within Item 10 above, Krilogy does not recommend that clients buy or sell any security in which a related person, including but not limited to an employee or financial advisor to Krilogy has a material financial interest.

Item 12: Brokerage Practices

Krilogy participates in Schwab Advisory Services (SAS) program offered to independent investment advisors by Charles Schwab & Company, Inc. (Schwab), and Fidelity Institutional Wealth Services sponsored by Fidelity Brokerage Services, LLC (Fidelity) (collectively referred to as Qualified Custodians). Schwab and Fidelity offer services to independent investment advisors, like Krilogy, that include custody of securities, trade execution, clearance and settlement of transactions. With regard the Fidelity, Krilogy will work with them at the instruction of the client. For certain clients who maintain assets at TIAA, Krilogy also maintains a limited relationship in order to provide its Services to clients. Schwab, Fidelity, and TIAA are independent unaffiliated SEC-registered and Financial Industry Regulatory Authority (FINRA) member broker-dealers and are members of SIPC. Clients are under no obligation to utilize Schwab and Fidelity as qualified custodians to hold your accounts. However, we may not be able to provide Clients Services if they utilize other Qualified Custodians. See below for further discussion.

Schwab and Fidelity brokerage programs will generally be offered to advisory clients for execution of mutual fund, registered closed-end fund, ETF, equity, and in some cases fixed income securities transactions. These trading platforms are essential to Krilogy's Service arrangements and capabilities. These services are generally available to independent investment advisors at no charge to them, so long as the independent investment advisors maintain a minimum amount of assets with the custodian. Schwab provides both custodian and brokerage services. Schwab will hold client assets in a brokerage account and buy and sell securities when we or the client instructs them to. When the Client executes the account agreement with Schwab or another custodian, the Client will give the Krilogy certain authorities that include trading authority and in some cases money movement authority on either a discretionary or non-discretionary basis. Krilogy works with these custodians to review their offerings to attempt to obtain the best offering and service for its clients. Of particular importance during these reviews are overall access, quality, and breadth of custodial support and trading services to you and Krilogy in order to provide our Services to you.

Schwab and Fidelity generally do not charge a separate fee for custody services but are compensated by charging commissions or other fees on trades that it executes or that settle into Client account(s) as well as the retention of interest earned on uninvested cash held in your accounts. In the case of Schwab, this program is referred to as Schwab's Cash Features Program.

In addition to commissions and asset-based fees, qualified custodians charge a fee for clearance and settlements of each trade executed by a different broker-dealer other than the qualified custodian holding the clients account in custody. The Qualified Custodian's fee for trades executed through broker-dealers are in addition to the other broker-dealer's fees. Thus, we have an incentive to cause trades to be executed through Schwab or Fidelity rather than another broker-dealer. Certain trades (for example, individual corporate securities and many mutual funds and ETFs) may not incur commissions or transaction fees from the Qualified Custodian. The client should inquire to the Qualified Custodian about their trade practices and trade costs that may be incurred in carefully considering which custodian and broker to use.

Krilogy does not engage in principal or proprietary trading, nor does it cross trade among client accounts. However, Krilogy and its advisors may recommend and/or a client may purchase securities of Krilogy affiliates, please see *Item 10 – Other Financial and Industry Activities and Affiliations*. Krilogy will never charge a premium or commission on transactions beyond the actual cost imposed by the custodian.

Products & Services Available to Us from Schwab

Schwab Advisor Services is Schwab's business serving independent investment advisory firms like ours. They provide us and our clients with access to its institutional brokerage – trading, custody, reporting and related services – many of which are not typically available to Schwab retail clients. Schwab also makes available various support services. Some of those services help us manage or administer our clients' accounts while others help us manage and grow our business. Schwab's support services are generally available on an unsolicited basis, at no charge to advisors. On occasion, Schwab has also agreed to pay client custodial transfer fees upon transfer of the client and his or her accounts to Krilogy's management. None of the products or services described in this Brochure are provided in consideration of brokerage commissions directed to the custodian/broker. Certain other custodians/brokers in addition to Schwab also provide these services. This trade platform is essential to Krilogy service arrangements and capabilities.

Services that Benefit Client

Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab's services described in this paragraph generally benefit clients or their account(s).

Services that May Not Directly Benefit Clients

Schwab also makes available to Krilogy other products and services that benefit us but may not directly benefit the client or their account(s). These products and services assist us in managing and administering our clients' accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to service all or some substantial number of

our clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

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

Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- educational conferences and events,
- technology, compliance, legal, and business consulting,
- publications and conferences on practice management and business succession, and
- access to employee benefits providers, human capital consultants, and insurance providers.

Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees.

Irrespective of direct or indirect benefits to our client through Schwab, we strive to enhance the client's experience, help reach their goals and put their interests before that of our firm or its associated persons.

The availability of these services from Schwab benefits us because we do not have to produce or purchase them. None of the products or services described above are provided in consideration of brokerage commissions directed to Schwab. However, this does create an incentive to recommend that Clients open and maintain accounts with Schwab. This is based on our interest in receiving Schwab's services that benefit our business and Schwab's payment for services for which we would otherwise have to pay rather than based on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a potential conflict of interest. We believe, however, that our selection of Schwab as a custodian and broker is in the best interests of our clients. Even so, our selection is primarily supported by the scope, quality, and price of Schwab's services and not that Schwab's services that benefit only us. Other custodians/brokers may provide these services as well.

Best Execution

With the exception of some bond trades, Krilogy generally places trade order requests with the Custodian for the Custodian's execution. As a result, Krilogy relies upon Schwab, Fidelity, or the client's Qualified Custodian to execute most of the trades requested for the client's account. Given the general nature of these arrangements—including pre-negotiated brokerage costs, operational

methodologies that must be employed to trade accounts custodied with these brokers, and additional trade away charges for trades executed through a different broker-dealer—it is often infeasible or impracticable for Krilogy to trade these accounts with broker-dealers other than those at which the accounts are maintained.

Custodians are required to seek best execution for all trades they place in accounts from orders received from the firm, which means that the Custodians have full authority to execute trades with those broker-dealers that they believe are capable of providing the best qualitative execution under the circumstances.

However, in certain circumstances with particular clients for fixed income transactions, Krilogy may also request that it be provided with written authority to determine the broker-dealer to use for client transactions that we believe is capable of providing the best qualitative execution under the circumstances. The reasonableness of brokerage costs and “mark ups/mark downs” is based on the dealer's ability to provide professional services, competitive execution, expertise in specific securities or markets (securities availability), price competitiveness, speed of response, operational efficiency, market research, idea generation, bid strength, experience and financial stability, ask strength, and other services that will help Krilogy in providing investment management services to clients.

Client Directed Brokerage

In the alternative, clients may select a different custodian and broker with the approval of Krilogy. Krilogy's approval is limited to whether the alternate custodian and broker's systems and technology can interact with Krilogy's systems. Even so, the use of the alternate custodian may limit Krilogy's ability to provide any of its Services at any time, with or without notice. Krilogy relies upon these custodians/broker to execute trades for the client's account. In doing so, Krilogy cannot be responsible for whether the custodian achieves most favorable execution of client transactions if clients choose to direct brokerage. This may cost clients' money because without the ability to direct brokerage, Krilogy may not be able to aggregate orders to reduce transactions costs that usually result in higher brokerage commissions and less favorable prices. The client may also pay higher execution charges, commissions, markups, markdowns, spreads, and other fees including but not limited to custodian and other account fees.

In addition, we may also render investment management services to clients regarding their (1) underlying accounts of variable life/annuity products that they may own, (2) their individual employer-sponsored retirement Plans, and/or (3) 529 college savings plans. In these situations, we either direct or recommend the allocation of client assets among the various mutual fund subdivisions that comprise the variable life/annuity product, retirement plan or college savings plan. The client's assets shall be maintained at either the specific insurance company that issues the variable life/annuity product which is owned by the client or at the custodian designated by the sponsor of the client's retirement Plan or college saving plans. The accounts would be considered client directed brokerage accounts. Similarly, Krilogy in its Agreement with you expressly declines to take any ability to move money to or from these accounts and therefore expressly declines to take Custody, as further discussed in Item 15 of these assets.

Aggregation Orders:

Krilogy will aggregate securities transactions across accounts and does so frequently as part of its rebalancing process for those discretionarily managed clients that utilized the firm's model investment strategies discussed in Item 4. For those non-UMA program Sub-advisory accounts for which Krilogy has discretion, Krilogy seeks to aggregate trades for accounts with Krilogy direct clients within a firm model strategy or across multiple firm strategies (if multiple strategies are transacting in the same security) and enter trades in a single block order using our trade rotation process -- further discussed below -- when we believe it is in the clients' best interests. Generally, all client accounts within a particular model investment strategy are treated alike with regard to the investment decisions made for that strategy. Should the firm engage in a discretionary UMA program, those trade would be aggregated by the Sponsor.

Depending upon a Sub-advisory Financial Institution acting as a portfolio manager's process for making investment decisions for a strategy and reviewing accounts (including the Financial Institution's client investment restrictions and cash availability) or the incorporation of different drift tolerances, a portfolio manger can place an order to purchase or sell a security for an account or group of accounts before or after an order for the same security for another account or group of accounts. If this occurs, the first order could be fully executed before the subsequent order is received for execution, in which case, the subsequent order would not be aggregated and may not receive the same price as the first order.

Krilogy typically does not have trade discretion over non-discretionary accounts such as model portfolio accounts of Sub-advisory clients. In those cases, such accounts are not eligible under the firm's trade aggregation policies. Certain Financial Institutions that are model account clients may request that Krilogy assist in the implementation and execution of trade in such model accounts through such Financial Institution.

When Krilogy determines to implement a portfolio change within such a strategy for such discretionary accounts, Krilogy utilizes a random generator to alternate the trading order among Krilogy direct clients and Sub-advisory Financial Institution clients with respect to such discretionary accounts which can include discretionary accounts for which Krilogy does not have trading authority. In such a circumstance, Krilogy may determine to provide notification to the respective Sub-advisory Financial Institution and continue with the trade order, in which case Krilogy will be trading concurrently with such Financial Institution. Alternatively, Krilogy may determine to wait for trade confirmation from such Financial Institution before continuing with the trade rotation. It is Krilogy's policy to allocate trades in a fair and equitable manner and the firm generally will allocate pro-rata. However, in the event of a partial fill of an aggregated order, Krilogy can choose a random allocation process. Financial Institutions with which we have non-discretionary accounts are notified using a random method of purchase and sale recommendations after the execution of discretionary trades as described above.

For Krilogy direct client accounts that do not utilize Krilogy model strategies, Krilogy maintains the ability to do targeted security trades in aggregate as well, but does not typically engage in aggregating securities transactions outside of changes the firm's models strategies within client accounts. The goal of this process is to attempt to not disadvantage our clients whom we are trading as part of the model strategy to achieve better pricing for clients by purchasing larger blocks in groups. Aggregation of orders does not guarantee a better price. Trades placed in this

way will be allocated over participating client accounts and each account will receive the same average transaction price. Functionally, the securities will be allocated to the firm's master account to aggregate all the trades in one account and then allocated to participating client accounts. The firm does not consider this to be a principal trade in the spirit of the principal trading rules. The intent in doing this is solely to attempt to benefit all clients in an equal manner. The firm passes the security directly through with no mark up or commission.

Krilogy does not enter into client referral agreements with any broker-dealer or third party in exchange for using that broker-dealer or third party. Krilogy may participate in Schwab's SAN program, wherein Schwab does not provide referrals in exchange for using Schwab as a broker-dealer but does receive compensation which is more fully described in *Item 14 - Client Referrals and Other Compensation*. However, Schwab may waive transfer costs, and assist financial advisor and his/her client referrals with outside broker dealer costs to help offset the cost to the advisor and his practice joining Krilogy. This does create a potential conflict for the advisor who seeks to join Krilogy and custody accounts with Charles Schwab. The firm attempts to mitigate this conflict through disclosure here as well as through our best execution review process of custodians.

Schwab or your custodian will provide all accounts with written trade confirmation of securities transactions and account statements. You will also receive mutual fund and ETF prospectuses when applicable upon purchase of a security.

Trade Errors:

On occasion, an error may be made in a client's account. For example, a security may be erroneously purchased for a client account instead of sold or an account is over bought in the model due to an operational issue with the account, among other possibilities. In these situations, we generally seek to correct the error by placing the client's account in a similar position as it would have been had there been no error, at no cost to the client. Depending on the circumstances, corrective steps may be taken, including but not limited to canceling the trade, adjusting an allocation, and/or crediting the customer's account. Trade errors are usually corrected using a trade error account at each custodian.

Total Portfolio Program:

With the exception of self-directed securities accounts (e.g., Schwab PCRA accounts; Fidelity Brokerage Link), Krilogy does not have control of the execution of securities transactions for outside held accounts in the Total Portfolio program (e.g., Outside Client accounts held with retirement Plan service providers). In those cases, the trade services are limited to order entry utilizing third-party software that links to the Plan service with execution occurring in the same manner as if execution through employee plan participation.

Employee Benefit Retirement Plan Services:

Krilogy does not arrange for the execution of securities transactions as a part of this service for accounts held with retirement Plan service providers. In such situations, transactions are executed directly through the employee Plan participant. For certain plans, however, Krilogy

does arrange for execution of securities transactions for certain Plans custodied with Fidelity and Schwab. Typically, these are cash balance plans or the aforementioned Schwab PCRA accounts.

Item 13: Reviews of Accounts

Client accounts are reviewed as often as necessary, always keeping in mind the best interests of the client. The individual client's financial advisor(s) are the primary person(s) responsible for reviewing Client accounts to assure the accounts in aggregate are in line with the investment policies, investment objectives and risk tolerance levels for the household portfolio objective, and/or your short/long-term wishes. Clients are prompted annually for updates to investment objectives, risk tolerance levels, and other information that may impact how their portfolio is managed. Additional client account reviews may be triggered by advisor or client request/schedule, changes in market conditions, new information about an investment, or other pertinent events. Clients may call, email, or schedule in-person meetings with your investment advisor representative as often as needed. As discussed in Item 4, under Supervision and Monitoring, all accounts undergo regular oversight. Currently, the firm incorporates a period review that seeks updates from the advisor on any households that appear may be out of alignment with the client's stated investment objective. Portfolios are also reviewed on an informal and periodic basis as needed or requested. While the client's Financial Advisor is responsible for reviewing accounts, he or she may seek the advice of other Krilogy advisory personnel when conducting reviews, formulating strategies, making changes to accounts or implementing one of Krilogy's investment allocation models.

When a client's financial advisor manages the investment account(s) to the household portfolio objective, the custodian will maintain custody of the investment assets, in most cases. The Custodian where the client assets are held provides account statements directly to clients at their address of record or electronic email address, at least quarterly but sometimes as often as monthly depending upon activity in the account. These statements include all transactions including Krilogy Fees. Clients also receive paper or electronic confirmations for transactions executed by Krilogy. In addition, Krilogy will provide access to separate, supplemental portfolio reporting on demand, typically via electronic access. As part of our Agreement, clients are required to set up an electronic portal address to receive this and other disclosure data.

Should events in a client's life lead to changes in client's financial situation or investment objectives, the client should immediately contact the client's financial advisor.

Our supervision and monitoring do not substitute for the client's own continued review and monitoring of account(s). Krilogy believes that records provided by the Custodian would be the most accurate. However, Krilogy does not do an independent audit of those records to verify. Any reports provided by Krilogy are believed to be accurate and based upon data provided by the custodian. However, if there are any discrepancies, the client should rely upon the custodian's record. **Clients should review performance reports, trade confirmations (as applicable), account statements, and other information received from Schwab or your custodian/broker carefully and notify us immediately if you detect an error or discrepancy.**

Employee Benefit Retirement Plan Services:

Plan assets are reviewed as necessary to the standards and situations described above for investment management service accounts. (K) Plans provides reporting with fiduciary benchmarks to plan sponsors. (K) Plans also provides participant education both in person and digitally that can be distributed by the sponsor or plan's administrator to the participants of the plan. Clients utilizing (K) Plans receive reporting services through their respective retirement plan service providers.

Item 14: Client Referrals and Other Compensation

As indicated in Item 12, Krilogy utilizes the services of Schwab (SAS) and, at client request, Fidelity (FIWS). We receive an economic benefit from Schwab and Fidelity in the form of the support products and services it makes available to us and other independent investment advisors whose clients maintain client accounts with them. Specifically, SAS and FIWS each respectively provide Krilogy with access to institutional trading and custody services, which are typically not available to retail investors. The services include brokerage, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

In addition, Schwab and Fidelity also make available other products and services that benefit Krilogy, but may not benefit clients' accounts. Some of these products and services assist Krilogy in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of Krilogy's Fees from its client's accounts, and assist with back-office functions, recordkeeping and client reporting. On occasion, these custodians also provide training and education to Krilogy and its associates to better interface with custodial platforms and may occasionally provide business entertainment to Krilogy personnel. At times, these custodians will also pay for expenses (airfare and/or accommodations) associated with such training and education.

Schwab has also agreed to pay for certain products and services for which we would otherwise have to pay once the value of our clients' assets in accounts at Schwab reaches a certain amount. For instance, in the past, Schwab has provided credit for outside brokerage costs associated with an Advisor and his practice (e.g., client accounts) transitioning to Krilogy. In some cases, a recipient of such payments is an affiliate of ours or another party which has some pecuniary, financial, or other interests in us (or in which we have such an interest). These products and services, how they benefit us, and the related conflicts of interest are described above (see *Item 12 – Brokerage Practices*). There is no direct link between Krilogy's receipt of these products and services and investment advice it gives to its clients, though Krilogy receives economic benefits through its use that are typically not available to retail investors. The benefits received by Krilogy do not depend on the amount of brokerage transactions directed to these custodians. However, they are indirectly impacted by the number of client assets that are custodied with Schwab. In particular, the economic benefits such as margin rates and quality of support service representation received are typically better. These support services from Schwab are valuable and are a substantial meaningful economic benefit. As a result, they present a conflict of interest as

Krilogy could have an incentive to recommend Schwab for custodial, brokerage, and other services. Schwab may also subsidize certain technology expenses to enable Krilogy to provide Services and better overall client experience. Otherwise, Krilogy does not receive any economic benefit, directly or indirectly from any third party for advice rendered to Krilogy clients with the exception as set forth in *Item 10- Other Financial and Industry Activities and Affiliations*.

Additionally, Krilogy may enter into written arrangements to compensate either directly or indirectly, any person (natural or company) for client referrals. This includes clients who are referred to Krilogy as a result of filling out online surveys intended to assist the client in identifying an advisor. In those cases, Krilogy pays the referral service to participate on its platform. All compensation with respect to the foregoing will be fully disclosed to each Client to the extent required by applicable law. All such referral activities will be conducted in accordance with the Cash Solicitation and Promoter Rules under the Advisers Act, where applicable. Krilogy will also compensate affiliated persons, including associates, of Krilogy for client referrals.

Krilogy's financial advisors are eligible to participate in the firm's travel award program which includes eligibility to attend the firm's annual domestic or international trip as well as cash bonuses based upon aggregate AUM brought in and brokered products (e.g., Insurance sales) for a specific period. This conflict is mitigated as the firm seeks to provide Services in your best interest and the advisor and firm provide appropriate informed disclosure of the conflict for discussion and consideration.

Item 15: Custody

Custody, as it applies to investment advisors, has been defined by regulators as having access or control over client funds and/or securities. In other words, custody is not limited to physically holding client's funds and securities. If an investment advisor has the ability to access or control client funds or securities, the investment advisor is deemed to have custody and must ensure proper procedures are implemented. It should be noted that authorization to trade in client accounts is not deemed by regulators to be custody.

Krilogy does not maintain physical custody of client assets; rather, all client assets are held by the client's Qualified Custodian. Under government regulations, Krilogy is generally deemed to have custody of your assets held by the qualified custodian as a result of the access granted to Krilogy by the client. For example, clients authorize us to instruct the Qualified Custodian to deduct our advisory Fees directly from your account. The account custodian does not verify the accuracy of our advisory Fee calculation. Alternatively, a client grants us the authority to disburse client assets to an account not in the name of the client. The ability to disburse client assets to a third party is another form of custody. Typically, this ability is granted through a standing letter of authorization (SLOA) to aid a client in facilitating on demand requests for moving money in and out of an account to specific parties or accounts that you designate. Krilogy has no ability to move money beyond the specific SLOA a client grants. For accounts in which Krilogy is deemed to have custody under SEC rules, the firm has established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that client's name. Clients or an independent representative of the client will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian's name, address, and the manner in which the funds or securities are maintained. Additionally, the firm follows

certain safe harbors with the assistance of your custodian to avoid the regulatory requirement of an independent custody audit on these accounts.

For accounts in which the firm is deemed to have custody of, other than the ability to deduct Fees, or meet the certain safe harbors under applicable regulations, the firm engages an independent public accounting firm, not affiliated with Krilogy, to perform an annual surprise verification examination. The purpose of such an examination is to verify that the funds and securities held in accounts actually exist and are located at the applicable qualified custodian.

Clients will receive written transaction confirmation notices and written summary account statements directly from the custodian at least quarterly. They will be sent to the email or postal mailing address you provided to your custodian. Krilogy urges clients to compare the account statements they receive from the custodian with those they received from Krilogy.

Item 16: Investment Discretion

Krilogy manages client accounts primarily on a discretionary basis, but will accept limitations on this discretionary authority that are in writing from the client. The discretionary investment and trading authority given to Krilogy by clients can be exercised by us at any time and without prior notice to you. Krilogy and your financial advisor will have the authority to determine the type of securities and the number of securities that can be bought or sold for the client portfolio without obtaining the client consent for each transaction.

For clients for whom a Sub-Advisor has been engaged, the Sub-Advisor will have discretionary authority to buy, sell, exchange, and otherwise trade securities within the client account. The investment strategies of the Sub-Advisor will be disclosed in their Disclosure Brochure (ADV Part 2A). For Sub-Advisory Services through a Client's Financial Institution, Krilogy will either provide non-discretionary model services or discretionary management as more fully set forth in Item 4.

With respect to our Retirement Plan Services, described above, Krilogy will manage on a discretionary and non-discretionary basis. When such plans are covered by Title I of ERISA, Krilogy has agreed to provide such services as an "investment manager" and a "fiduciary" as such terms are defined in ERISA Sec. 3(38) and 3(21), respectively. For these plans, discretion as an investment manager involves the selection of available investment to be included in the plan line up as well as creation of certain model portfolios to be made available for use within the plan.

All clients have the ability to place reasonable restrictions on the types of investments that may be purchased in an account. The client will be required by the qualified custodian to execute a limited power of attorney granting Krilogy authority over their account(s) for trading purposes. The capacity in which Krilogy acts will be outlined in the Agreement executed by the client. Should you decide to engage Krilogy's Services, you will sign the Agreement indicating that you agree to all of its terms and conditions.

Item 17: Voting Client Securities (Proxy Voting) and Other Corporate Actions

Krilogy will not ask for, nor accept voting authority for client securities for any client it provides Services. Clients will receive proxies directly from the issuer of the security or the custodian. While the Custodian, may allow the client to direct such requests to Krilogy, clients should not request that the custodian forward this information to Krilogy for handling. Clients should direct all proxy questions to the issuer of the security.

Krilogy does not provide legal and tax advice. As such, Krilogy will not take any action and will not render any advice regarding any legal action on Client's behalf involving companies whose securities are held or previously were held in the client's account(s), including but not limited to, the filing of "Proofs of Claim" in class action settlements. Client should seek independent legal and tax counsel as appropriate.

Item 18: Financial Information

Krilogy does not require nor solicit prepayment of more than \$1,200 in fees per client, six months or more in advance and therefore does not need to include a balance sheet with this brochure.

Neither Krilogy nor its management have any financial conditions that is likely to reasonably impair our ability to meet contractual commitments to clients.

Krilogy has never been the subject of a bankruptcy petition.

Item 19: Privacy Policy

Investment Advisers are required by law to inform their clients of their policies regarding privacy of client information. We are bound by professional standards of confidentiality that are even more stringent than those required by law. Federal law gives clients the right to limit some but not all sharing of personal information. Below is more information regarding the extent you can limit the information. Federal law also requires us to tell you how we collect, share, and protect your personal information.

Types of Non-public Information (NPI) Krilogy Collects

We collect nonpublic personal information about you either directly from you or a third party at your authorization. We collect this information when you open an account under our management or give us your contact information, seek advice about your investments or tell us about your investment or retirement portfolio, or open enter into an investment advisory agreement with the firm. This information assists Krilogy and your advisor in providing comprehensive and personalized financial services.

The NPI can include but is not limited to your social security number, date of birth, banking information and financial account numbers and/or balances, a list of assets, transaction history, statements of net worth, sources of income, credit card numbers or other debt related information, types of insurance products, business relationships, and estate planning documents. When you are no longer our client, we may continue to share your information only as described in this notice.

Krilogy's Use of Information

Krilogy does not disclose any nonpublic personally identifiable information about its clients to other parties or service providers except at the specific direction of the client or as required or permitted by law to perform Krilogy's everyday business for you. Pursuant to existing law, Krilogy may disclose client personally identifiable information to/for:

- Affiliated and non-affiliated third-party services providers, including but not limited to tax planners, tax preparation services, retirement services, or individual portfolio management services for everyday business purposes,
- Non-affiliated third-party services providers who provide services directly to Krilogy, including but not limited to, data storage and analysis, portfolio reporting and management and custodial administration,
- Non-affiliated entities with whom Krilogy has entered into a joint marketing agreement to publicize certain service offerings, and
- Our affiliates' everyday business purposes – information about your transactions and experiences.

DEFINITIONS: Affiliates – companies related by common ownership or control. They can be financial and nonfinancial companies; non-Affiliates – companies not related by common ownership or control. They can be financial and nonfinancial companies; Joint marketing – a formal agreement between non-affiliated financial companies that together market financial products or services to you.

Clients may opt out of sharing information for joint marketing to other financial companies, to our affiliates and to non-affiliates. If you are a new client, we may begin sharing your information on the day you sign our agreement. When you are no longer our client, we may continue to share your information as described in this notice. However, you can contact us at any time to limit our sharing.

Federal law allows you the right to limit only the sharing of your NPI related to:

- Sharing for affiliates' everyday business purposes – information about your creditworthiness,
- Affiliates from using your information to market to you, or
- Sharing with non-affiliates to market to you.

State laws and individual companies may give you additional rights to limit sharing. Please notify us immediately at the address, telephone number, or at info@krilogy.com if you have any questions or wish to limit sharing.

Protecting the Confidentiality of Current and Former Client's Information

To protect your personal information from unauthorized access and use, we use security measures that comply with federal law, which included but are not limited to:

- Personal service – Your advisor knows you and the activity that taking place in your account. This personal service helps protect your financial information.
- Fraud Prevention – Computer safeguards including firewalls, encryption and detection through our IT vendor and secured physical access to the firm's buildings and files.
- Training – We are continually training our employees on how to safeguard client information.

Krilogy does not share client information with third parties without the consent of the client except under the circumstances described above or under the following circumstances:

- As necessary, to maintain and service the client account or to provide certain requested or authorized third-party services requested by the client (e.g., tax preparer/CPA, attorney),
- As required by regulatory authorities or law enforcement officials having jurisdiction over Krilogy, or otherwise required by applicable law, and
- To prevent fraud, unauthorized transactions, false claims, or other potential liability to either you or Krilogy.

Steps You Should Take to Protect Your Privacy

You should take the following steps in order to help protect your NPI and privacy:

- Passwords – Don't use the same password for all your online accounts. Choose hard-to-guess passwords, and change them periodically. Don't share them with others (verbally or in writing) or post them where others can see.

- Anti-virus software – Make sure you have anti-virus and anti-malware software, and keep it up-to-date.
- Websites – Scam artists are very good at creating authentic-looking websites. Make sure the site you visit is legitimate – check to see that contact information is present and the phone number actually goes to the company in question. Before sharing personal information online, look for “https” at the beginning of the URL to ensure the site is secure.
- Public Computers – Be wary of accessing your financial information from a computer in a public place, such as the library. Someone may have installed malicious software that can capture the websites you visit as well as any user IDs or passwords.
- Unprotected Networks – You should also avoid accessing sensitive information when using unprotected or unsecured Wi-Fi networks, such as those available in public places – even when using your own computer, tablet or mobile device.
- Awareness – Staying informed about your accounts and investments is key to identifying possible breaches. Be sure to read your statements and other communication from Krilogy and the custodian holding your accounts and log on to your accounts regularly.

Additional Privacy Policy Disclosures:

Please understand that you maintain a relationship with other financial service providers, including but not limited to, custodians of your assets, and insurance carriers for which you may have entered into an insurance contract. The providers have separate privacy policies for which you should know and understand.

Krilogy does engage a third-party service provider to shred confidential documents and records prior to disposal. Krilogy also maintains processes to destroy electronic data on any computer or other devices that are taken out of service in order to prevent the data from being read or reconstituted.

Krilogy’s Privacy Policy remains in effect at all times even after the client relationship is terminated.