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Form ADV Wrap Fee Program Brochure

This Wrap Fee Program Brochure ("Wrap 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: tlewis@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.

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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 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 6.C:

- 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

Item 9

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

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

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Item 4: Services Fees and Compensation

Krilogy Financial® LLC (“Krilogy”) is a federally registered investment adviser with the Securities and Exchange Commission (“SEC”) pursuant to the Investment Advisers Act of 1940. Krilogy is the primary operating subsidiary of Krilogy LLC and Krilogy Advisors, LLC (“Krilogy Advisors”), and affiliated to Krilogy Tax Services, LLC. See Item 9 for a full discussion of Financial Industry Activities and Affiliations. 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.

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 person occupying a similar status or performing similar functions). Employees or any other person who provides investment advices on Krilogy’s behalf and is subject to the Firm’s supervision or control. Supervised Persons that 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 customer’s investment objectives, risk tolerances, and investment experience.**

A. Description of Services

In 2019, Krilogy implemented a Wrap Fee Program (“Wrap Fee Program”) exclusively for a specific advisor in order to facilitate his fee schedule and practice of covering clients’ securities transactions for his practice prior to joining Krilogy. In the Wrap Fee Program, Krilogy and its financial advisor act as a portfolio manager for and sponsor of the Wrap Fee Program, which allows Krilogy to manage client accounts for a single fee that includes both Portfolio and Asset Management Services (“Services”) as set forth further in *Item 6: Portfolio Manager Selection and Evaluation*, and certain brokerage fees and costs from your custodian (e.g. commissions and certain transactions-based fees such as mark ups and mark down, custodian’s prime brokerage and trade away fees, exchange processing fees, and certain short term redemption fees) pursuant to your Investment Advisory Agreement (“Agreement”) with the firm. **However, there are fees that are not included in the Wrap Fee Program Fee as discussed in more detail below.**

When you agree to work with Krilogy, you will incur fees (“Fees”) for Krilogy’s Services. The Fee will include a minimum annual flat fee charged in equal installments on a quarterly basis that will transition to a fee calculated as an annualized percentage of the value of assets you hold in your account(s) under our management or advisement (“AUM”). The Fee for the Wrap Fee Program is a flat 2.00% of your AUM.

Fee Discretion: The fee is negotiable at the discretion of your financial advisor. Your financial advisor receives a portion of the Fee. If your financial advisor negotiates, the negotiated portion of the Fee typically comes out of your advisor's compensation. As a result, your financial advisor has a financial incentive not to negotiate the Fees as it can directly impact their compensation. If you do not negotiate, your fee may and likely is higher than what other similarly situated clients pay based upon negotiating. While certain brokerage fees and costs are included, not all fees and costs are included. See Additional Fees section below for a more complete description.

Actual fees paid by clients of this advisor who subsequently engage(d) our firm under this Wrap Fee Program are different than our other clients who are not in the Wrap Fee Program. Prior to joining the firm, the advisor charged a flat fee of 2.00% for his services within a wrap fee program. The fee charged by the advisor prior to joining Krilogy was based upon his stated value of the Services provided without account for brokerage fees and costs. In order to include certain brokerage fees and costs in the flat fee, the firm needed to create a separate Wrap Fee Program from the Services offered to its other clients that allowed the firm to separately cover certain brokerage fees and costs as further set forth below. The Wrap Fee Program is only available through Charles Schwab & Co. Inc. ("Schwab"). Krilogy does not and will not actively solicit the Wrap Fee Program to any other clients beyond the specific advisor's clients. Krilogy's Client Brochure sets forth more fully how all other clients of the firm are treated.

Note in 2019, the custodian, Schwab reduced trade costs on certain securities and transactions to zero. Even so, the firm and advisor incur a cost from the custodian to employ this program. This cost was subsequently reduced. Initially, Krilogy and the advisor agreed to a transaction-based cost program with Schwab. To reduce potential conflicts in providing services described below, the firm and advisor agreed to an asset-based cost program. This means the costs associated with the potential investment changes to client portfolios are not accrued based upon the number of transactions. Thus, the advisor is not conflicted with making certain investment decisions based upon potential increased costs to him and the firm.

The Wrap Fee Program is a more costly program in terms of Krilogy Fees for the services offered than under the Client Brochure Program. However, Krilogy clients in the Client Brochure Program pay additional brokerage fees and costs beyond Krilogy's Fee that a Wrap Fee Program client does not pay. Under the Client Brochure Program, the majority of our clients pay a "Blended Fee" that starts at 1.5% and reduces based upon AUM. There are other clients that pay fees other than the "Blended Rate" under the Client Brochure Program based either upon grandfathering of another advisor's fees upon joining Krilogy, similar to the creation of the Wrap Fee Program, or use of a flat fee in lieu of the blended rate allowed by the firm. You should consult your advisor for a fuller discussion.

Fees are assessed on all AUM, including securities, cash, and money market balances. Margin debit balances reduce the value of the assets under management. For the purposes of calculating your Fee, the AUM of the account will include accrued interest earned on securities, e.g., bonds held in your account, and cash. Accrued interest means the amount of interest you will be paid on the next coupon date based upon the holding period of the security in your account at the time the Fee is calculated. 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 your 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.

Fees are charged and paid quarterly in advance and are based on the net asset value of the client's account at close of market on the last day of the prior calendar quarter. New accounts may be charged a pro-rated fees for the remainder of the quarter in which the account is incepted. Certain client accounts may be billed in arrears based upon quarter end market value. When your Fees are based upon AUM, your Fee will increase and decrease with the value of your account(s). The specific manner in which fees are charged by Krilogy is established in your Agreement. Please note that fees will be adjusted for deposits and withdrawals made during the quarter on a pro-rata basis at the next regularly scheduled billing cycle as well. As part of this process, Clients understand the following:

- The client's custodian sends statements at least quarterly, showing all disbursements for each account, including the amount of the advisory fees paid to Krilogy; and
- Clients provide authorization permitting the Custodians to deduct these fees.

Unless otherwise specified in the Agreement, Fees are automatically withdrawn directly from the client's accounts with client written authorization. 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.

Your account will be grouped with your other advisory accounts with Krilogy under one Agreement. Upon request by you to your advisor, your accounts, or accounts of people related to you whom meet certain criteria will be held in the same pricing group to the extent they are a party of the Wrap Fee Program. Each account can only be in one pricing group and we will disclose to you the accounts making up your pricing group upon request. Other members of the pricing group will receive the same disclosure upon request. Krilogy's policies on pricing group may be amended from time to time.

Clients may terminate their contracts without penalty, for full refund, within 5 business days of signing the Agreement. Otherwise, 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 day after written notification. In the written request to terminate the contracts, Clients may also request a refund of Fees paid in advance. Should such a request be made, Krilogy will endeavor to rebate any fees 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 days remaining in a quarter at the point of termination. Upon notice of termination, Krilogy will not be obligated to recommend any action with regard to the assets in your account, but you may sell the securities or transfer the securities to another account or third-party account.

If you terminate and sell the assets in your account, your proceeds will be available upon settlement of the trades generated to complete the liquidation. Settlement is typically three business days following the trades. Because bond markets may be less liquid, these investments may be more difficult to liquidate, especially during periods of extreme market volatility.

Therefore, you may experience delays or adverse price fluctuations when liquidating these securities. Account liquidation may cause a taxable event as well as additional fees and expenses.

B. Contribution Cost Factors

The decision to participate in Krilogy's Wrap Fee Program is your decision. Before making this decision, you and your financial advisor should discuss whether other programs may be more appropriate. In evaluating the Wrap Fee Program, you should consider a number of factors. You may be able to obtain some or all the same or similar investments and/or services available through this and other programs offered through Krilogy or another broker-dealer or investment adviser, or negotiate the fee down with your advisor. An important factor to consider is the amount of individual trading activity you have in your accounts and the corresponding brokerage commissions and transaction costs that would be charged depending upon the security if you bought and sold individual securities in a brokerage account. 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. You also may experience different performance results or tax consequences from what you would by purchasing the investment separately or through another broker-dealer or investment advisor.

C. Additional Fees

Clients who participate in the Wrap Fee Program will not have to pay for transactions or trading fees from their custodian, Charles Schwab, with the following exceptions set forth below. However, you are still responsible for all other account fees that will include fees such as transfer of asset fees (TOA) and electronic fund fees, reorganization fees, wire and check fees, other fees and taxes on brokerage accounts and securities transactions, and non-custodian fees (e.g. fees charged by someone other than the broker-dealer custodian of your accounts that include contingent redemption fees (CRF) charged by a mutual fund company; or contra firm's markup/mark down, spread, commission; Managed Account Services (MAS) fees; fees for trades executed away from custodian; margin interest and alternative investment fees) as further described below. Additionally, certain accounts may not be eligible for participation in this wrap fee program. For instance, certain employer sponsored individually directed retirement accounts do not qualify. You will have to consult your advisor on the specific accounts.

You will also still be responsible for any internal fees and expenses in mutual funds and ETFs held in your account. 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. Mutual fund and ETF internal fees and expenses vary depending on the particular mutual fund or ETF. Clients should not assume they will be invested in the share class with the lowest expense ratio. Generally, 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.

Additionally, for each purchase or sale of securities, there is often a contra-party to the transaction, usually a market maker. The contra-firm or market maker typically includes a markup/mark down or spread that the selling (in the case of a purchase in your account) or buying (in the case of a sale from your account) broker or market maker places on a security that is purchased into or sold out of your account. On occasion, it may be necessary to execute transactions away from your custodian. Fees charged by that executing broker, including but not limited to markups/mark downs, spreads, or commissions will be an additional fee to your account. Further, if your financial advisor recommends the use of options as a part of your trading strategy and the strategy is employed, the client will incur higher fees than an account not employing this strategy because of the additional option transaction execution fees based upon the number of contracts bought or sold.

If you chose to purchase securities on margin, you will be required to acknowledge a Margin Agreement for the Account. Excluding potential options strategies, Krilogy does not recommend buying securities on margin as an investment strategy. Buying on margin refers to the practice of buying an asset where you pay only a percentage of the asset's value and borrow the rest from a lender. In this instance, your account's custodian acts as a lender and the funds in your securities account are used as collateral on the loan's balance. Your custodian typically receives compensation from such pledge/loan activities. The compensation derives from the interest that is charged on the amount borrowed. The rate charged fluctuates and is based on the amount borrowed. Krilogy does not receive compensation from such a pledge/loan activity. It is important that you fully understand the risk involved in trading securities on margin. Such activity is usually only suitable for clients that wish to take higher risk for higher reward. Please carefully review all risks and details regarding interest charged on the amounts borrowed which are set forth in the Margin Agreement for your Account.

If you purchased or sold securities prior to entering into a relationship with Krilogy, you may have incurred fees for those purchases and sales that are wholly unrelated to Krilogy's Fee, but may reduce your overall return and performance. Additionally, Krilogy may sell/liquidate securities at the beginning of your relationship with the firm that were purchased with or at the recommendation of a previously unrelated party. The sale or liquidation of securities may result in a taxable consequence or redemption fee which would be in addition to Krilogy's Fee. Such transactions would occur without regard to tax consequences or redemption fees. If the securities are mutual funds, certain mutual funds may also impose redemption fees if the mutual fund was held for only 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.

Finally, your financial advisor may recommend insurance. Cost and compensation to the advisor as result of recommendations of insurance will result in an additional charge. See Item 6 for a more in-depth discussion of the insurance services offered and the potential conflicts of interest.

D. Compensation as a result of Client Participation

Krilogy is a registered investment adviser. Assets in your account are held by a separate and unaffiliated broker-dealer that acts as the custodian of your account. Unless you direct otherwise, Krilogy directs all securities purchases and sales orders, recommended or otherwise as a part of

our Services to the broker-dealer that acts as the custodian of your accounts. The broker-dealer providing the brokerage services on your account shall execute and perform the clearance of same and provide custodial account services to you. The custodian where the client assets are held provides written trade confirmations of securities transactions and account statements directly to clients based upon the client's preference for receipt, but as a default at their address or record, at least quarterly. **Please review your account statements carefully and notify us immediately if you detect an error or discrepancy. Krilogy does not independently audit these third-party statements for errors or discrepancies.**

Krilogy and your advisor do not receive any additional fees beyond the Fees outlined above, which reduces the potential conflicts in recommendations made by both Krilogy and your financial advisor. Put another way, Krilogy and your financial advisor receive the same fee regardless of the security recommended or selected, with one possible exception, the purchase of security through Krilogy Capital Management Partners I or II. If this security is recommended, it would be a non-discretionary purchase requiring you to fully review and execute additional security and disclosure documentation.

Even with this level fee concept, by recommending the Wrap Fee Program, there is a conflict of interest to both Krilogy and your financial advisor because Krilogy and your financial advisor are only compensated if you participate in the Wrap Fee Program or another Krilogy program. Also, as outlined further above, Krilogy and your advisor receive a higher Fee when you participate in the Wrap Fee Program as compared to the Client Brochure Program. However, the Wrap Fee Program Fee is a grandfathered Fee rate as set by the specified advisor in the program and is based upon his valuation of his services. You could choose to forgo the Krilogy's Services in the wrap fee program and buy and sell securities through a different broker-dealer or investment advisor. If you were to purchase securities through a separate broker-dealer, you generally pay sales charges or commissions, a portion of which may be paid to an investment professional should you choose to engage one, whether as a registered representative or an investment advisor representative. If you chose to work with an investment professional to provide only brokerage services, that investment professional will typically earn more in upfront fees and commissions. However, a financial advisor that is a fee-based advisor, like Krilogy's financial advisors, will typically earn more over time if you pay an asset-based fee as described above for Services provided.

E. Prepayment of Fees

Unless otherwise specified in the Client's Agreement, the Fee is automatically deducted from the account quarterly, in advance. At the sole discretion of Krilogy, and upon specific client request, Krilogy may agree to another specification to and set forth in the Client's Agreement.

Item 5: Account Requirements and Types of Clients

Krilogy generally provides Services to the following Types of Clients:

- 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, you should not engage Krilogy's Services if you want to engage in day trading (e.g., market timing) or wish to actively trade.

Minimum Account Size: Krilogy does not have an explicit account minimum size. However, a client may be required to pay a flat dollar fee for Services as set forth in Item 4 above. Krilogy monitors the total value of your account. If the value falls below the initial investment minimum, we may, in our discretion, discontinue Services.

You can fund your accounts with cash or securities. If you establish your account with securities that Krilogy does not deem to fit the investment strategy for your accounts, you authorize and direct Krilogy to liquidate or redeem those securities as practicable without regard to tax consequences or redemption fees that may be assessed on the liquidation or redemption of those securities. We will not provide advice or guidance regarding the securities being sold to fund your account. Trades that occur in taxable account will incur a taxable event to you. Please consult with your tax professional.

There may be restrictions on the types of accounts and clients that may be eligible for the wrap fee program. Krilogy can prohibit any person or entity from investing or remaining in the wrap fee program for any reason, including if we do not believe it is an appropriate investment strategy for that person or entity.

Item 6: Portfolio Manager Selection and Evaluation

A. Portfolio Manager Selection and Review of Portfolio Managers

Krilogy has been and plans to continue to be the sole portfolio manager for this Wrap Fee Program or Krilogy may select outside portfolio managers for management of this Wrap Fee Program.

Krilogy will use industry standards to calculate portfolio manager performance. For outside portfolio managers, Krilogy will review the inclusion and thereafter periodic review of performance of the manager. Review may include the manager's key personnel and experience, investment philosophies, history, and performance.

B. Related Persons

Krilogy and its associates, including the specific advisor and the firm's Investment Committee serve as the portfolio managers for the Wrap Fee Program accounts or may select outside portfolio managers for management. Please note that it is a conflict of interest that no outside adviser assesses Krilogy's management of the Wrap Fee Program. However, Krilogy seeks to address this potential conflict by both not introducing additional potential conflicts of interest

related to disparate compensation depending upon security selection and further acting in its clients' best interest consistent with its fiduciary duty as sponsor and portfolio manager of the Wrap Fee Program.

C. Advisory Business

Portfolio and Asset Management

Krilogy offers Services as described in Item 4: Services Fees and Compensation and this section. Krilogy has been in business since 2008. Krilogy provides fiduciary portfolio management services ("Services") pursuant to your Agreement with the firm.

Krilogy's Services to individual clients is based on each client's particular needs for an asset-based fee. Your experience with Krilogy is rooted in the working relationship between you and your Krilogy financial advisor. Krilogy provides your advisor(s) tools that includes the ability to utilize centralized design of investment portfolio model management by the firm's Investment Committee and Strategy Group 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 as further described in this Section immediately below and under Investment Supervision and Monitoring.

Krilogy portfolio allocations may include mutual funds, equities, bonds, fixed income, debt securities, ETFs, hedge funds, third-party money managers, REITs, alternative investments, affiliated proprietary private placements, and government securities. 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.

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 you read the prospectus of any security that has one provided to you through your custodian and contact your financial advisor if you determine that you do not wish to be invested within that security. Krilogy and your financial advisor may make changes to your portfolio from time-to-time that may include changing out securities entirely or changing the amount of your money that is 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 expense may be factored, ultimately, the firm's final decisions on your portfolio will be focused on whether the investment and allocation meet your stated investment objective.

The decision to engage the Services of Krilogy is yours. You should review this WRAP Brochure carefully and consult with your tax professional before you decide to invest.

If you decide to engage Krilogy's Services, the relationship begins when Krilogy accepts the executed written Agreement between you and Krilogy and you grant access to Krilogy with the

custodian of your accounts. Granting access normally occurs through opening/transferring your account under Krilogy's relationship it has with both Charles Schwab and Fidelity or with the custodian of your outside held accounts through Krilogy's Total Portfolio Program. Krilogy's Acceptance occurs after designated personnel at Krilogy Main Office review and confirm that all required provisions, signatures, and dates are included within the Agreement and that the firm has a complete information regarding your appetite for risk, corresponding investment profile, and objectives for a portfolio that meets your stated needs. Acceptance does not occur upon signature by the client and your financial advisor. **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 client does hold under Krilogy's relationship with custodian's Charles Schwab or Fidelity and does not receive a Fee as described in Item 4 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 portfolio management advice, including but not limited to fiduciary investment advice.** See Item 4 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, you should decide if you are comfortable forgoing the day-to-day management of your account. 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

You should consider a number of factors when evaluating fee-based advisory programs similar to the Services referenced here. You may be able to obtain some or all the same or similar services available through this and other fee-based advisory programs of another investment adviser or by performing the services yourself. You should consider that, depending on the circumstances, the aggregated fees you pay for the services including investing with Krilogy may be lower or higher than if you purchased the investments or services separately or through another broker-dealer or investment advisor. You may also experience different performance results or tax consequences from what you would by purchasing the investments separately or through another broker-dealer or investment adviser.

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 you 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. The Portfolio Manager of the Wrap Fee Program maintains a portfolio management objective to outperform the benchmark relative to a client's investment objective. The Portfolio Manager accounts for the Investment Committee and Strategy Team's philosophy, guidelines and firm oversight controls in the management of the Wrap Program. 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. The firm regularly, not less than quarterly, supervises client accounts/portfolios utilizing predefined parameters for each Investment Profile and Objective to identify accounts/portfolios for further review and update by your advisor.

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 whom 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.

Any recommendations made for accounts for which Krilogy does not receive a Fee as described in Item 4 are made as a courtesy and are complimentary meaning that these accounts are not governed by the Agreement between you and Krilogy and your financial advisor does not provide ongoing portfolio management advice, including but not limited to investment advice. See Item 4 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.

Securities Limitations and Corresponding Services:

You may impose restrictions in investing in certain securities in accordance with their values or beliefs by providing those specific restrictions to your financial advisor. You should list those restrictions on your risk questionnaire or otherwise in writing to your financial advisor. 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. Krilogy may allow the transfer in of securities that it would not otherwise be recommend or would liquidate at account opening under its management at the specific request of the client. In such instances, you would be responsible for advising your advisor when it would be acceptable to liquidate the security. 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 its advisor will manage the client's overall portfolio to account for the specific request or restriction of holding a particular security within your account. However, Krilogy and the financial advisor may ultimately make changes and liquidate these securities at any time without first giving notice if they determine that they cannot manage your portfolio to your agreed upon Investment Profile and Objective. Such transactions would be affected without regard to tax consequences or securities redemption fees. You may have to pay redemption fees to a fund company if the security that is a mutual fund is held for only a short time. Krilogy and its advisor may also request that these securities be placed in a separate account from those accounts managed by Krilogy.

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.

Other Services

Custody Services

Krilogy does not provide qualified custodian services for your accounts. Your 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. Please review your account statements from your Custodian carefully and notify us immediately if you detect an error or a discrepancy from any Krilogy reports.**

Financial Planning Provided Under Portfolio Management Services

As a complement to our Services described above, for specific clients we 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 providing 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 and guidance including legal 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. Krilogy and your advisor are available to work with you throughout the year to implement the plan.

Financial Planning & Consultation Services Only

At our discretion, Krilogy may offer one-time financial planning and consultation services only. We rarely agree to enter into such an arrangement. 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 based on hourly or flat fees as individually agreed upon during the engagement process between the client and advisor and the final fee structure is documented in the Financial Planning Agreement. Financial planning services do not include continuous financial advice and related services. Financial Planning Services are deemed completed upon provision of the agreed upon financial planning output. If investment/financial consulting is provided, they are not considered to be ongoing and the client is responsible for implementing and monitoring any investment/financial consulting provided.

This service is not offered under the Wrap Fee Program.

Corporate Employee Benefit Retirement Consulting and Management Services

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.

This service is not offered under the Wrap Fee Program.

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-advisory 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.

This service is not offered under the Wrap Fee Program.

Insurance Services

Krilogy and its financial advisors may recommend changes or additions to your health, life, disability, or long-term care insurance coverage. This service is complimentary and you are free to follow or decline such recommendations. In those instances where you elect to purchase a policy through Krilogy and your advisor, you are purchasing a policy through Krilogy Advisors, an affiliate of Krilogy Financial and your advisor, in their capacity as a licensed insurance agent. **The purchase of insurance is separate and apart from the Services provided under the Agreement between you and Krilogy and the Services set forth in the Wrap Fee Program.** Krilogy and your advisor have a conflict of interest as any purchase of insurance coverage results in additional compensation. **Additional compensation is paid to Krilogy and your 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.

The commissions present certain conflicts of interest because your financial advisors and Krilogy’s affiliate, Krilogy Advisors receive commissions for the sale of insurance products, which creates an incentive to recommend the purchase of insurance products over other investments and insurance products that pay either lower or no commissions. Krilogy and your financial advisor address this conflict by providing this disclosure to you. Clients may purchase insurance products recommended by Krilogy or your financial advisor through other agents or directly with insurance carriers or brokers that are not affiliated with Krilogy. 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, depending upon, among other things, the type and value of the policy purchased, as well as the issuing agency or insurance company.

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 your advisor would not provide legal or tax advice. However, you may engage an affiliate Krilogy Tax Services under separate engagement to provide tax preparation and planning. You may also engage KEP Law, LLC d/b/a Krilogy Law under separate agreement, a separate and independent law firm that maintains affiliation through a common owner, to provide estate and business planning legal services.

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 the client.

Amounts Under Management

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.

Methods of Analysis and Investment Strategies

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 your 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. You should talk with your Advisor to understand his/her practices.

The investment strategy for a specific client is based upon the objectives stated by the client during consultations and in the client's IPS. The client may change these objectives at any time by providing notice of such change to Krilogy. Each Investment Advisor has the option to utilize the firm's investment models or utilizes his or her own investment strategy which may or may not be consistent with Krilogy's other Investment advisors.

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 and structured products as well as certain options trading strategies.

Material Risks

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 account(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 you, as 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.

Voting Client Securities (Proxy Voting) and Other Corporate Actions

Krilogy will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. While the Custodian may allow you 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 7: Client Information Provided to Portfolio Managers

To the extent Krilogy utilizes outside portfolio managers, all client information material to managing the portfolio (including basic information, risk tolerance, sophistication level and income level) is provided to the portfolio manager. You may be asked to contract directly with the portfolio manager. The portfolio manager will also have access to that information as it changes and is updated by you. If you are asked to do so, the portfolio manager may ask you to provide additional information. The portfolio manager will also have access to your account information through agreements with your custodian.

Item 8: Client Contact with Portfolio Managers

Krilogy's representative can be contacted during regular business hours with questions regarding your account, including questions regarding a portfolio manager. You may not be able to contact the portfolio manager depending upon the agreements. If Krilogy is unable to give you the contact information of the portfolio manager pursuant to any agreement, Krilogy will work with the portfolio manager to answer any complex or non-routine question. Otherwise, Krilogy and your financial advisor should be able to answer any questions you may have. Contact information is on the cover page of Krilogy's Brochure as well as your financial advisors Form ADV Part 2B brochure supplement.

Item 9: Additional Information

A. Disciplinary Information and Other Financial Industry Activities and Affiliations

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.

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, and is not engaged in any other business activities and offers no services other than those described in this Wrap Brochure.

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

Affiliate 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 your financial advisor may maintain the education and credentials of a Certified Public Accountant (CPA), your financial advisor cannot provide tax preparation and tax planning advice.**

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. 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. Krilogy advisor's and clients are not required to utilize Krilogy Law.

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 to you, you are 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. Whenever we recommend Krilogy Law, you are encouraged to consider other law firms too. A choice of a lawyer is an important decision and should be relied upon solely based on advertisements or recommendations from Krilogy and your 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.

The services of Krilogy and Krilogy Law are separate and distinct from one another, each with a separate compensation arrangement typical for the services rendered.

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 or your financial advisor. Clients may purchase insurance products recommended by Krilogy or your financial advisor 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 for 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 to us pursuant to such arrangements. Any such arrangement is structured in a manner designed to comply with the requirements of the Advisers Act.

B. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading; Review of Accounts; Client Referrals and Other Compensation and Financial Information

Code of Ethics

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 personal securities trading activities in the accounts of our employees and advisors ("associates") with access to client information. The firm's Code is based upon the principle that Krilogy and its associates owe a fiduciary duty to our clients to conduct, 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:

You should know that Krilogy associates and/or their family members are permitted to buy or sell securities for themselves that may also be 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 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.

Review of Accounts & Content and Frequency of Reports Provided to Clients

Client accounts are reviewed as often as necessary, always keeping in mind the best interests of the client. The individual client's financial advisors are the primary person(s) responsible for reviewing your accounts to assure accounts are in line with your investment policies, investment objectives and risk tolerance levels, and/or your short/long-term wishes. Clients are contacted 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. You may call, email, or schedule in-person meetings with your investment advisor representative as often as needed. As discussed, in Item 6, under Supervision and Monitoring, all accounts undergo regular oversight. Currently, the firm incorporates a quarterly review that seeks updates from the advisor on any portfolio's/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 your Financial Advisor is responsible for reviewing your individual accounts, he or she may seek the advice of other Krilogy advisory personnel when conducting reviews, formulating strategies, making changes to your accounts or implementing one of Krilogy's investment allocation models.

When your financial advisor manages your investment account your 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. These statements include all transactions including Krilogy Fees. In addition, Krilogy will provide access to separate, supplemental portfolio reporting on demand, typically via electronic access. As part of our Agreement, you are required to set up an electronic portal address to receive this and other disclosure data.

Should events in your life lead to changes in your financial situation or investment objectives, you should contact your financial advisor immediately. If changes result in a change in your investment objective you will be asked to complete a new Investment Policy Statement.

Our supervision and monitoring do not substitute for your own continued review and monitoring of your account(s) and performance of your investments. Krilogy believes that records provided by you 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 your custodian. However, if there are any discrepancies you should rely upon your custodian's record. **You should review performance reports, trade confirmation (as applicable), account statements, and other information you receive from Schwab or your custodian/broker carefully and notify us immediately if you detect an error or discrepancy.**

Client Referrals and Other Compensation

Krilogy utilizes the services of Schwab (SAS) and, at client request, Fidelity (FIWS). We receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisors whose clients maintain their accounts at Schwab. 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. 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. 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 may also receive other economic benefits from Schwab in the form of support products and services as further outlined below:

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.

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 us 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 you maintain your account 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.

Other Compensation: 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.

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.

Krilogy 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 you're 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:

- To 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
- For 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.